A1210
Spring 1981

Pick 'N' Save Plans Big Warehouse

Pic 'N' Save, a major chain of general merchandise discount variety stores, has announced plans to build a warehouse and distribution center totalling an estimated 800,000 square feet in Rancho Cucamonga.

The firm recently purchased a 90-acre site in the northeast quadrant of San Bernardino and Etiwanda Avenues.

William Thomas, Pic 'N' Save Vice-President and Chief Financial Officer, said his company has retained an architectural design consultant to work out exact space requirement and building layout, and that the project will total between 750,000 and 800,000 square feet.

Thomas added that the large site also gives the firm room for planned future expansion.

"This will rank high among the largest industrial buildings in San Bernardino County," commented County Supervisor Cal McElwain. "Pic 'N' Save is a proud addition to our industrial community, and we extend to them a whole-hearted welcome to our County."

Rancho Cucamonga Mayor Philip Schlosser was quick to note that the new distribution center will mean as many as 200 new jobs for the area and that "with the rapid population growth experienced by this City, an expanding employment base is vital."

The distribution center, which will serve the firm's entire Southwest market area, will represent a capital investment of $20 million by Pick 'N' Save.

Construction is expected to begin before the end of this year and be completed 12 to 18 months later.

Thomas said Pick 'N' Save chose the site because of its central location, reasonable price, and space for future expansion.

Selection of the Rancho Cucamonga property culminates a two-year search to find an appropriate location.

Pick 'N' Save has stores throughout Arizona, California, Nevada, New Mexico, and Texas with annual sales of $113 million.

SAN BERNARDINO COUNTY
ECONOMIC DEVELOPMENT DEPARTMENT

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
JUN 23 1981
UNIVERSITY OF CALIFORNIA

NEWS LETTER

Published quarterly by the San Bernardino County Economic Development Department to chronicle events and activities relating to the purposeful economic development of San Bernardino County and its communities.

SPRING, 1981

KAISER SHOWS $18 MILLION PROFIT FOR FIRST QUARTER

For the first time in five years, Kaiser Steel Corp. has reported a pretax profit and is said to view the future with increased optimism.

Kaiser has reported first quarter pretax earnings of $18.3 million for its steelmaking and fabricating operations, bringing to a close 18 consecutive quarters of financial losses.

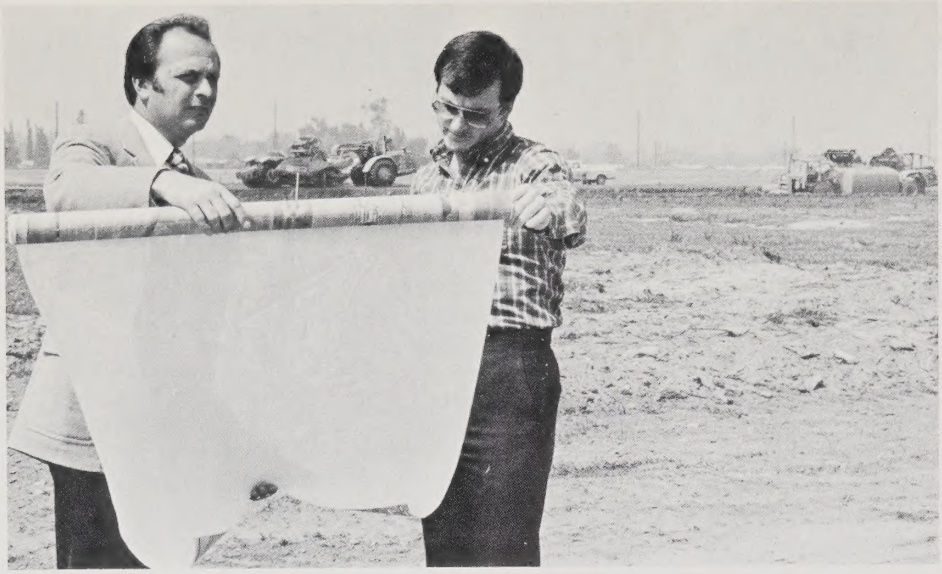
The report comes as particularly good news after the Kaiser Board of Directors seriously considered closing the Fontana plant as recently as last August.

Kaiser experienced a pretax loss of $1.8 million for the first quarter of 1980.

During the first three months of this year, Kaiser had total revenues of $279.8 million and shipped 380,000 tons of steel.

"We are especially pleased to be able to report that we have finally broken the string of losses from steelmaking," said Roland Kjelland, Kaiser President and Chief Executive Officer. "We are particularly encouraged that earnings from our steelmaking operations were solidly in the black and, in fact, reached their highest level since the second quarter of 1975."

San Bernardino County Supervisor Robert Townsend (left) and Fontana Mayor Frank Horzen (right) pause during tour of GAF plant which recently began production in the Southwest Industrial Park. Conducting tour is Assistant Plant Manager Joe Motomal. Visible in the background are large silos containing asphalt used in the manufacturing of roofing materials **(See story on page 7).**



Robert Hammock, Chairman of the County Board of Supervisors, (left) and Bill Kennedy of Campeau Corp. (right) review plans for Campeau Commerce Center being developed within the State College Industrial Park. Matich Corp. grading activities continue in the background.

Campeau Development Underway In State College Industrial Park

Site preparation has begun for a 165-acre, master-planned industrial and commercial development to be constructed within the City of San Bernardino's State College Industrial Park.

To be known as the Campeau Commerce Centre, the project is an undertaking of the Campeau Corp. in cooperation with the City Redevelopment Agency.

Campeau is currently spending approximately $12 million on grading, streets, curbs, gutters, water lines, sewer systems, street lighting, and other off-site inprovements.

Work is being carried out by the Matich Corp. and is scheduled for completion in June.

The development will include 58 parcels ranging in size from three-quarters of an acre to ten acres.

Located northwest of the City, the State College Industrial Park is immediately adjacent to Interstate 15 and served by the Santa Fe Railroad.

Additional site information may be obtained by contacting Walter June of Chuck King and Associates at (714) 885-3806 or Bill Kennedy of Campeau Corp. at (714) 877-7051.

Color Tile Begins Operations at New Distribution Center

Color Tile, a nationwide producer of wall and floor coverings, has become the first firm to begin operations in San Bernardino's State College Industrial Park.

The Ft. Worth-based company recently opened a new distribution center for the western United States at 2552 Shenandoah Way.

The metal building totals 115,000 square feet on 7.2 acres and was purchased from the Hallmark Southwest Corp. for $1.7 million.

"This means 25 to 30 new jobs for local residents," commented San Bernardino Mayor W. R. Holcomb. "We need new industry of this type to assure the future economic strength of our community."

County Supervisor Robert Hammock, whose Fifth District includes much of the City as well as the Color Tile facility, said he considers "the beginning of operations a milestone in the development of the State College Industrial Park.

"I sincerely hope this is the beginning of a trend toward the development of a thriving industrial area," Hammock said.

Plant Manager Bob Schaeffer said he is extremely pleased with the welcome Color Tile has received in San Bernardino and that he looks forward to a prosperous future for the new distribution center.

Marcus W. Meairs Co. was the industrial real estate broker handling the sale of the building.

RYDER TRUCKING PLANS TERMINAL IN FONTANA AREA

Ryder Truck Lines has purchased a 21-acre site west of Fontana and plans to construct a major motor freight terminal within two years.

The announcement was made, following the close of escrow, by the County Economic Development Department which worked closely with Ryder in locating the property.

The future facility will serve as the firm's break-bulk distribution center for Southern California.

The property is located between Mulberry and Calabash Avenues north of Jurupa.

First Venture in U. S.

Hume Roofing Opens Plant

Hume Roofing Tile, Inc., a division of Hume Limited, has begun production at its new Fontana plant representing the first venture of the Australian-based parent company in the United States.

The facility is located on 10 acres at 10650 Poplar Ave. and manufactures concrete roof tiles.

Utilizing the industry's most advanced machinery, the operation is housed in 14,000 square feet of manufacturing area and 25,000 square feet of inventory space.

Although the Fontana plant specializes in roof tiles, Hume Limited is an internationally recognized firm with a diversified product line ranging from portable concrete spas to huge pipelines.

Sales Manager Kurt Johnson said Hume's Fontana facility is the first of several operations the firm plans in the U. S.

Hume Limited's sales volume in 1980 was $325 million.

CONSTRUCTION TO BEGIN ON BRIDGE PROJECT IN ONTARIO

The San Bernardino County Overall Economic Development Planning Commission has been notified that the City of Ontario will receive a $600,000 federal grant to improve access to and from its new industrial area east of the airport.

Provided by the U. S. Commerce Department's Economic Development Administration, the grant will provide 60 percent funding for a bridge on Jurupa Avenue across Day Creek Channel. The City of Ontario will provide the remaining $400,000 to complete the $1 million project.

The extension of Jurupa Avenue will provide access to the redevelopment area from both Ontario International Airport and Interstate 15.

The grant request was made by the City in 1979 and received the OEDP Commission's top-priority rating among projects located in San Bernardino County.

Ontario Redevelopment Director Robert Jackson said the bridge design phase has been completed and that the project has gone to bid. He said he believes construction will begin in June and be completed by fall.

The bridge will be a reinforced concrete structure 60 feet long and 78 feet wide with six traffic lanes.

Design work was done by Lenville, Sanderson, Horn and Associates of Rancho Cucamonga.

The redevelopment area served by the bridge includes four square miles bounded by Airport Drive on the north, Philadelphia Street on the south, Milliken Avenue on the west, and Etiwanda Avenue on the east.

Largest of the developments in this area is the 1.1-million-square-foot Kmart distribution center recently completed on 97 acres south of Airport Drive west of Etiwanda Avenue.

Saunders Leasing Opens Center Near Kmart Warehouse

Saunders Leasing System, Inc., the nation's third largest full-service truck lessor, has opened its second California truck leasing operation in Rancho Cucamonga.

The announcement was made recently by the firm in cooperation with the San Bernardino County Economic Development Department.

The Saunders service facility is situated on four acres on Santa Anita Avenue near the interchange of Interstate Highways 10 and 15. General Contractor for the 6,400-square-foot truck service building was Lord and Shobe, Inc. of Upland.

The facility constitutes an investment in excess of $500,000 by Saunders and will service the leased fleet of Kmart Corporation's distribution center at nearby Ontario, adding other lease customers as the new market develops.

Operation of the facility is managed by Lyle McKee, Saunders' Assistant Vice President and Regional Development Manager, based at the company's Los Angeles District Office in the Vernon area.

Saunders began operating its truck leasing and maintenance services at the Vernon location in September when the company acquired certain assets of Vernon Motor Parts and Service Co., a heavy-duty truck service facility.

Saunders Leasing System founded the vehicle rental and leasing industry in 1916. Today, the company maintains a service network of more than 15,000 emergency service locations, authorized truck stops, and service centers throughout the U. S. and Canada.

Two New Buildings Currently Available For Industrial Users

Two new buildings, representing an investment of approximately $2 million and totalling nearly 60,000 square feet, are being constructed in San Bernardino's Southeast Industrial Park.

A project of the Turner Development Co., in Irvine, the larger building is 38,965 square feet on two acres, while the second is 18,800 square feet on one acre. The buildings are located at 1795 and 1800 Riverview Drive near the intersection of Richardson Street.

Both facilities have been designed specifically for manufacturing, assembly, and warehousing activities.

The larger building features a triple truck well, ground-level loading, heavy power capacity, a calculated sprinkler system, 22-foot clear height, fenced rear yard, and 1,500 square feet of office space.

The second building has 1,000 square feet of office space, a truck well, ground-level loading, and sprinkler system.

Both buildings are currently available on either a lease or pre-sale basis with interior modifications available to suit tenant needs.

Exclusive marketing agent is Cushman and Wakefield in Anaheim, and information may be obtained by calling (714) 634-1701.

O'Donnell, Brigham

Buildings Sold by Firm

The industrial development firm of O'Donnell, Brigham and Partners has announced that it has sold eight of the thirteen buildings comprising the Ontario Airport Industrial Center.

Total value of the sales exceeds $5.6 million, according to William Blair Armstrong, resident partner for O'Donnell, Brigham in Southern California.

Among those purchasing the properties are Newport Bay Investment Co. (Building 2 — 11,844 square feet), Anthony Sportswear (Building 6 — 4,800 square feet), Cambio Realty (Building 8 — 13,954 square feet), Town and Country Parties, Inc. (Building 9 — 13,954 square feet), Arral Industries, Inc. (Building 12 — 14,794 square feet), and Spence Porter (Building 13 — 13,395 square feet).

In addition, Buildings 10 and 11, totalling nearly 68,000 square feet, have been sold to another company. Armstrong noted that Building 4 with 15,704 square feet is currently in escrow.

Located on a 16-acre site adjacent to the Pomona Freeway (Route 60), between the Grove and Vineyard offramps, the Ontario Airport Industrial Center was designed by Himes-Peters of Santa Ana, and features the alternating use of natural colors on each of the tilt-up concrete buildings. These soft tones are highlighted by bright color trim and dramatic use of dark reflective glass on sloping walls in sections housing executive suites.

Armstrong went on to note that four buildings, ranging in size from 18,815 to 25,195 square feet, remain to be sold.

BUSINESS STATISTICS & OUTLOOK

by Charles W. Morton

This unusual photo, taken by Frank Coony, caught a Santa Fe, Union Pacific and Southern Pacific train in Cajon Pass at the same time.

THREE MAJOR RAILROADS SERVE SAN BERNARDINO COUNTY

San Bernardino County is served by three major railroads: Santa Fe, Union Pacific, and Southern Pacific. Above is a rare photograph taken at Mormon Rocks in Cajon Pass where a train from each of the railroads is crossing the 4,000-foot elevation Cajon Pass corridor at the same time. This is probably the busiest rail corridor in the world. In a normal 24-hour day, approximately 175,899 tons of freight move through the corridor; 77,960 tons moving east and 97,939 tons moving west.

The three railroads have 1,080 miles of track within the County. This includes track within two of the most advanced rail classification yards. Combined, the railroads are second to Kaiser Steel as the County's largest employer, with 4,279 regular employees.

Southern Pacific and Santa Fe each have a major rail classification yard in the County. The yards are computer controlled and the most advanced in the world. Southern Pacific's classification yard at Colton, California, covers 560 acres, is 5.7 miles long, 1,800 feet wide, and has a capacity for 7,100 freight cars. Santa Fe's classification yard at Barstow, California, covers 600 acres and can classify more than 2,700 cars daily at peak capacity. Union Pacific expects to open a 1,000 car yard in the County at Yermo this fall.

In the past, the economic importance or railroads to this country and California's southland, were recognized and appreciated. With the passage of the steam engine, along with the development of transcontinental highway systems and air passenger service, the Nation's railroad passenger service lost some of its glamour and began operating under the direction of the National Railroad Passenger Association (Amtrak) in May of 1971. However, railroad freight traffic continued to grow and expand and today plays a far greater role than ever in trade and commerce in support of the California southland's economy.

In looking to the last half of the 80s and through the 90s, it appears that our economy and well-being will become more dependent on railroads. By that time, it is likely a majority of our large electric generating plants will be using coal transported to the plant by rail. It is also likely that the United States will become an exporter of coal. The concept of a major coal terminal for both the Long Beach and Los Angeles Ports has been approved. The plan is to fast-load ships at the Port with coal originating in Utah, Colorado, Wyoming, and New Mexico destined for Japan, Korea, and Taiwan. This coal will move through the County via Cajon Pass.

First Quarter Permits Up 12.87%

The chart below depicts the valuation of building permits issued during the first quarter of 1980 compared to the first quarter of 1981.

	First Quarter 1980	First Quarter 1981
Adelanto	$ 386,637	$ 387,402
Barstow	3,756,810	2,102,020
Chino	5,651,562	3,695,623
Colton	1,090,485	3,975,427
Fontana	15,355,328	7,286,425
Grand Terrace	850,821	348,926
Loma Linda	295,161	1,230,198
Montclair	7,697,112	7,154,550
Needles	328,523	438,364
Ontario	26,980,963	13,454,913
Rancho Cucamonga	13,814,900	13,224,473
Redlands	3,474,016	6,155,808
Rialto	3,987,006	5,745,072
San Bernardino	19,111,000	24,747,260
Upland	5,736,428	20,305,711
Victorville	3,098,289	2,125,204
Unincorporated	80,594,193	104,391,733
TOTALS	$192,209,234	$216,769,109

County building permit valuations were up 12.87 percent in the first quarter of 1981 compared to 1980. This increase was not expected considering the continuing high interest rates. The 1981 first quarter valuation is roughly the same as was the first quarter of 1979.

On a city to city comparison, there was an unusually wide spread of ups and downs. Eight cities were up along with the unincorporated areas, five cities were down and three remained about the same.

In dollar valuation, Upland led with $20,305,711, an increase of 254 percent over the same quarter last year. In March alone, Upland issued permits for the construction of 117 homes in three tracts with a total value of $11,565,995. In February, permits were issued for 55 homes valued at $5,485,230.

In percentage, Colton led, scoring a 264 percent increase over last year, followed by San Bernardino with a 29.49 percent increase.

On the downward side, Ontario's valuation was about half that of last year. In large, this is attributed to last year being particularly high due to large residential construction, Kmart's 25 acre distribution center, and Mervyn's large distribution center. Fontana, also down half compared to an exceptionally high 1980 first quarter, experienced a reduction in residential construction.

(continued)

Steel Boron Alloys Defy Cold

Researchers at the University of California's Lawrence Berkeley Laboratory have made a significant technological breakthrough on new steel alloys. The alloys defy temperatures hundreds of degrees below zero degrees centigrade.

Conventional pressurized tanks for liquified natural gas, liquid nitrogen and other gases that require storage at cryogenic temperatures are made of stainless steel alloys. These alloys require large amounts of nickle, mostly imported, that make them extremely expensive. Even the strongest conventional stainless steel nickle alloys are not very strong or structurally efficient.

In the technological breakthrough at LBL, researchers devised not one but two steel alloys capable of surviving impacts and resisting fractures at cryogenic temperatures. Metallurgical scientist Dr. J. William Morris of LBL approached the problem of embrittlement by examining the microstructure of the metal. On that level, steel is composed of minute grains. It is often along the boundaries of these grains that steel fractures when very cold.

In developing one of the alloys, Dr. Morris found that by adding boron to steel, cohesion between the metallic grains was improved. The boron acted as a "grain boundary glue." Dr. Morris described boron as a "metallurgically novel device" that improves the cold tolerance of this steel by 150 degrees centigrade.

The second breakthrough in cryogenic alloys by LCL research ers was achieved by refining the grain structure of the metal through "thermo cycling." This technique calls for "controlled application of heat." The heat disrupts packets within the grain in the bulk metal and results in microscopic homogenous structuring. Packets are comparable to clumps of paritally coked oat meal in with full cooked oatmeal.

In addition to the new technology being a major advance in metallurgical engineering, it is also economically and industrially significant. Nickel is expensive, and over 75 percent of the nickel consumed in this country is imported. Boron is plentiful in the California desert and very inexpensive. Industrially, Dr. Morris says, a probable application of the new alloys is likely to be storage containers for liquid nitrogen used in cryogenic applications.

SMITH TOOL EMPLOYEE RECRUITMENT ON SCHEDULE

The San Bernardino area, with its surplus labor force, has provided Smith Tool with an excellent labor market.

Smith Tool, a newcomer to San Bernardino County, is a prominent manufacturer of quality drill bits for oil and gas drillings. Their product is used worldwide.

From December 30, 1980, through May 1, 1981, Smith Tool received over 4,500 applications for the 350 to 375 jobs to be filled locally. Another 125 to 150 will be transferred to San Bernardino from the firm's Irvine, California plant. By August 1, 1981, the plant is expected to be in full operation and have 500 employees on board.

The skills sought by Smith Tool are those associated with a large technically advanced machine shop. Among these skills are numerically controlled machine technicians, engine lathe operators, maintenance personnel, electricians, welders, and assemblers. According to Gary Duerst, Manager of Employee Relations, the area has provided a surplus of the last five mentioned skills. The most scarce skills are the numerically controlled machine technicians and programmers, followed by tool designers and tool and cutter grinders.

Smith Tool's pay is above most other plants in the area employing similar skills. Duerst says that with the higher pay, the company seeks dependable employees. He defines dependable employees as those who perform well on the job, maintain good attendance, and have a positive attitude. These three qualities are essential Duerst says to coordinate planned and scheduled production for meeting worldwide commitments.

Industrial Production Up in County

The chart below depicts the County's major categories of industry according to value of product shipped. It shows an increase of 17.50 percent in 1980 over 1979.

The largest gain scored was in service industry machinery with a gain of 51.07 percent followed by newspapers with 36.19 percent. The smallest was in mineral extraction; however, this is based on a conservative estimate arrived at with the assumption that the County's percentage of total state production will remain the same as 1979. It will be a year or more before the 1980 County mineral extraction figure is available.

Should the mineral extraction figures be removed from the chart, the overall production gain would be 20.77 percent. In fact, when the County mineral extraction figure for 1980 becomes known, the 20.77 percent gain may well be exceeded. This is not only possible, but likely, considering that 1979's mineral extraction value of shipments were 13.12 percent over 1978; and Sam Italia, the County Mineral Property Appraiser, says that 1980 production should exceed 1979.

	1979	1980	Percent Increase of
Blast Furnaces and Steel Mills	$ 532,000,000	$ 611,500,000	14.94
Farm Products	436,931,000	511,701,500	17.11
Mineral Extraction	424,590,700	457,590,700*	7.78
Service Industry Machinery	106,700,000	161,200,000	51.07
Aircraft	92,900,000	117,000,000	25.94
Electric Housewares	51,000,000	65,000,000	27.45
Newspapers	42,000,000	57,200,000	36.19
*estimated	$1,686,072,000	$1,981,192,200	17.50

LOCAL PAIR NAMED FOR HIGH AWARDS

Two well-known local leaders — Frances Grice and David Powless — have received coveted national honors from the U. S. Small Business Administration.

Mrs. Grice has been named Small Business Advocate of the Year for the United States and Powless Small Business Innovater of the Year, also for the United States.

A special awards luncheon was held May 6 at the National Orange Showgrounds with the awards being presented one week later in the White House rose garden.

Mrs. Grice is Executive Director of Operation Second Chance while Powless is President of Oneida Materials Co.

With a seemingly endless list of civic involvements to her credit, Mrs. Grice is widely recognized for her numerous successful efforts to strengthen the local business community and improve employment opportunities in San Bernardino County.

Powless has pioneered a new concept in recycling steel mill waste and has recently implemented the technique at a new plant where the scrap material is provided from nearby Kaiser Steel Corp.

Co-masters of ceremony for the awards luncheon were television personality Truman Jacques of CBS-Channel 2 and Robert Devine of the Small Business Administration.

Also among the many elected officials and community leaders in attendance were participating guests Shirley H. Pettis, former congresswoman; Robert Strauss, SBA Regional Director; and Rudy Estrada, SBA Los Angeles District Director.

Flood Control Plan Designed to Assure West Valley Growth

A cooperative, multi-jurisdictional effort involving both the public and private sector is underway to assure continued future development of San Bernardino County's fast-growing West Valley.

The Counties of San Bernardino and Riverside, along with the Cities of Ontario and Rancho Cucamonga, are working with private developers to resolve flooding problems resulting from increased flows in Day and Etiwanda Creeks.

It has been feared that downstream flooding experienced in Riverside County could curtail future development in San Bernardino County if protective measures are not taken without delay.

Officials believe the solution lies in a $5.8 million flood control project which includes a debris dam and construction of concrete channels from the foothills to the Santa Ana River.

Two committees — a steering committee and a technical committee — have been formed to study, plan, and generate funding for the project.

It is hoped a grant can be obtained from the U. S. Department of Water and Power Services to be combined with financing generated through the establishment of an assessment district.

The Department of Water and Power Services, formerly the Bureau of Reclamation, has expressed an interest in the project because it increases groundwater recharge.

L. D. King, Inc. has been retained to carry-out the study phase of the project at a cost of $120,000 which is being paid by developers who are concerned by the flooding problem.

(Continued on Page 7)

SMSA to Rank 25th Largest in Entire Country

The San Bernardino-Riverside-Ontario Standard Metropolitan Statistical Area (SMSA) is now the 25th largest in the nation according to preliminary census figures compiled and analyzed by American Demographics magazine.

The analysis revealed an unofficial population of 1,538,000 for the SMSA — an increase of 35 percent in ten years.

If the preliminary numbers remain unchanged in the final report by the U. S. Census Bureau, the local area will have moved up three spots among the country's 288 SMSA's — from the 28th largest ten years ago to 25th at present.

SMSA's are established for analytical purposes and usually consist of a city or cities of 50,000 or more with adjacent counties that are affiliated with the central city or cities socially and economically.

Although declining in population, the New York SMSA remained the largest in the U. S. with 9,081,000 persons. Los Angeles-Long Beach ranked second with a population of 7,445,000.

The preliminary figures also confirm speculation that little growth is occurring in the Northeast and North Central areas with heavy movement to the South and West.

County Development Commission Selects Gilliam as New Chairman

H. James Gilliam, a former Mayor and 29-year resident of Barstow, has been elected Chairman of the County's Economic Development Commission.

Gilliam succeeds Commissioner William G. Smith of San Bernardino who recently completed two terms as Chairman.

Gilliam was chosen for the position by other members of the Commission who also selected Mary Borba Parente of Ontario to serve as Vice-Chairman.

During his 16 years on the Barstow City Council, Gilliam served four years on the County's Local Agency Formation Commission and was a member of the 1968 Grand Jury.

The Economic Development Commission is an advisory body to the Board of Supervisors and works closely with the Economic Development Department to encourage industrial growth and produce new employment opportunities in the County.

The Commission is composed of 15 members with three appointed by each of the five County Supervisors.

In recent action, Supervisors have named five new members to the Commission. They are Frank Fleck of Yucca Valley and Juan Archuleta of Apple Valley appointed by Supervisor Robert Older, Martin Tudor of Rialto appointed by Supervisor Cal McElwain, Frank Gonzales of Colton appointed by Supervisor David McKenna, and Gil Lara of San Bernardino appointed by Supervisor Robert Hammock.

Townsend Becomes Head of Key Regional Planning Association

San Bernardino County Supervisor Robert O. Townsend of the Fourth District has been elected President of the Southern California Association of Governments (SCAG).

Townsend previously served as the organization's First Vice-President.

SCAG is a regional planning agency and clearinghouse for counties and cities throughout Southern California. Among its responsibilities are the review and approval of major local projects concerning such fields as transportation, sewers, water systems, the ecology, and aviation.

"It is about time someone acquainted the rest of the State with the resources of San Bernardino County and what the County has to offer the rest of Southern California," said Townsend, commenting on his election.

Townsend served as Chairman of the Board of Supervisors in 1977 and 1978, and is currently Chairman of both the County Redevelopment Agency and Industrial Development Authority.

Other newly elected SCAG officers are Los Angeles City Councilwoman Pat Russell, First Vice President; and Orange County Supervisor Bruce Nestande, Second Vice President.

Utility Vault Company's new 50,000-square-foot facility nears completion on 27-acre site in Fontana. The firm will manufacture pre-cast concrete products at its new location.

UTILITY VAULT NEAR READY TO OPEN PLANT IN FONTANA

Utility Vault Co., a major manufacturer of pre-cast concrete products, has constructed a new plant in Fontana and plans to begin production during June.

Located in 27 acres at 10650 Hemlock Ave., the building totals 50,000 square feet and represents a $3 million investment by Utility Vault.

Jim Schack, President of the firm, said the new facility is largely self-contained with its own concrete batch plant, steel fabricating equipment, testing lab, truck maintenance center, offices, and large outdoor storage area.

He said the firm's products are sold primarily to government agencies and utility companies for use in power systems, telephone networks, water lines, and highway construction.

Manager of the local plant is Frank Kiefer who leads an operation which is expected to grow to 40 employees by the end of this year.

Headquartered in Auburn, WA, Utility Vault has facilities located throughout the West with annual sales in excess of $20 million.

Making Roofing Materials

GAF Begins Operation

Dedication ceremonies have been held and production has begun at GAF Corporation's new glass-mat roofing plant in Fontana's Southwest Industrial Park (See photo on page 1).

The facility totals 93,000 square feet, is located on a portion of the firm's 21-acre site, and will employ more than 100 persons.

GAF's Fontana plant represents a capital investment of $4 million and will play a major role in the company's $50 million program to increase production in the West and South.

Jay R. Olson, GAF President and Chief Operating Officer, was on hand for dedication ceremonies and noted that his firm is the nation's largest producer of residential roofing materials.

"The new plant demonstrates GAF's confidence in the resurgence of the building industry during the 80s," said Olson, "especially here in California which is still leading the nation in construction."

GAF expects glass-based roofing to capture about half the market by 1985 and has earmarked increased resources to develop and expand glass-mat production.

The Fontana facility is GAF's 21st manufacturing plant for building materials, but is the corporation's first location west of Denver for asphalt roofing.

In addition to residential shingles, the firm is producing roll-roofing for commercial buildings at the new plant.

GAF plans a future second phase on the remaining portion of its land.

• FLOODING

(Continued from Page 6)

Planning work is to be completed in approximately nine months with construction to begin in about one year.

Members of the steering committee include San Bernardino County Supervisors Robert Townsend and Cal McElwain, Riverside County Supervisor Don Schroeder, Ontario Mayor Robert Ellingwood, Rancho Cucamonga Mayor Philip Schlosser, Dale King and Bill Mann of L. D. King, Inc., Bill Wren of Chevron Land Co., and Ralph Lewis of Lewis Homes.

Serving on the technical committee are San Bernardino County Economic Development Director Frank Coony; Riverside County Flood Control Engineer Ken Edwards; Ontario City Engineer Rosalind Daniels; Rancho Cucamonga City Engineer Lloyd Hubbs; Joe Dilorio of Trinity Development Co.; Bill Budge of Shaw, Talbot, and Budge Associates; and Bill Mann of L. D. King, Inc.

THE NEWS LETTER
Published Quarterly by the
San Bernardino County Economic
Development Department

County Civic Building — West
175 West 5th Street
San Bernardino, California 92415
Area Code (714) 383-2913

BULK PERMIT
U. S. Postage
PAID
San Bernardino, Calif.
Permit No. 1677

Institite Of Governmental Studies
109 Moses Hall
University Of California
Berkeley, CA 94720

SAN BERNARDINO COUNTY BOARD OF SUPERVISORS

Robert Hammock
Chairman .....Fifth District
Robert Older .....First District
Cal McElwain .....Second District
David McKenna .....Third District
Robert O. Townsend ....Fourth District

ECONOMIC DEVELOPMENT COMMISSION

H. James Gilliam, Chairman

Juan Archuleta
Frank Fleck
E. P. Guerra
Paul Pope
Martin Tudor
John Creatura
Frank Gonzales
Lucille Schuler
Mary Borba Parente
Art Townsend
Harold Zenz
Frances Grice
B. Gilbert Lara
William G. Smith

ECONOMIC DEVELOPMENT DEPARTMENT STAFF

Frank Coony .....Director
Baxter J. Williams....Assistant Director
Newsletter Editor
Art Romandy....Industrial Coordinator
Charles Morton.....Research/Planning
Carolynn Hayes .....Program Analyst

Artist's rendering depicts new six-story Redlands Federal Savings building currently under construction on State Street at Eighth in Redlands. In addition to the savings and loan, nearly 35,000 square feet of office space will be available for occupancy July 1. Custom suites range from 500 to 24,000 square feet and may be leased through Larcon Development, Inc. in San Bernardino.

NEW RUNWAY FOR BIG JETS IN OPERATION AT ONTARIO

Ontario International Airport's new runway for wide-bodied jets has been completed and formal dedication ceremonies have been held, attended by hundreds of elected officials, prominent businessmen, and community leaders.

The ceremony, entitled "Touchdown '81," was held April 26 featuring bands, displays, exhibits, and numerous antique and military aircraft.

The runway is designed for the heavier and quieter, wide-bodied B-747, DC-10, and L-1011 which previously were not scheduled at Ontario.

The $20 million runway project also included two high-speed taxiways, lighting, drainage systems, and relocation of Archibald Avenue.

Airport Manager Robert E. Quincey said the new runway is 700 feet south of and parallel to the previously existing east-west runway, but has been built 2,200 feet to the east to reduce noise in neighboring communities.

Use of the larger jets will also help accommodate increasing traffic volume which is expected to reach 12 million passengers per year by 1985.

Industrial Area Being Planned Close to Airport

A 1,200-acre industrial and commercial center, which it is said will reach astronomical value, is being planned for the area just east of Ontario International Airport.

The announcement was made recently by Johnson, Oaks, and Co., an industrial brokerage firm representing Ontario Industrial Partners which has acquired the property during the past three years for an estimated $60 million.

Developers say they will begin construction this summer with streets, curbs, gutters, and other offsite improvements on a 150-acre portion of the property, with plans to have the first several buildings completed in about one year.

It is believed the project will be patterned after the Irvine industrial area near the John Wayne Airport in Orange County and may take as long as 30 years to complete.

The property is located south of Interstate 10 in the general vicinity of Haven and Milliken Avenues.

Ontario Industrial Partners was formed as a joint venture of Cadillac Fairview; John D. Lusk and Sons; and Shaw, Talbot, and Budge Associates.

Following completion of the offsite improvements and master planning for the property, the developers will undertake a nationwide advertising campaign featuring the multi-million dollar project.

fall 1981

SAN BERNARDINO COUNTY
ECONOMIC DEVELOPMENT DEPARTMENT

GOVERNMENTAL
LIBRARY
1 9 1981
UNIVERSITY OF CALIFORNIA

NEWS LETTER

Published quarterly by the San Bernardino County Economic Development Department to chronicle events and activities relating to the purposeful economic development of San Bernardino County and its communities.

FALL, 1981

Bottle Manufacturer Picks New Plant in Rancho Cucamonga

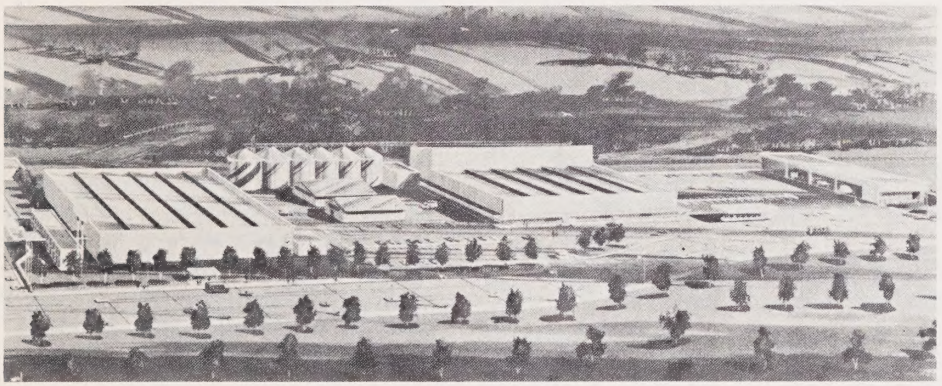
Hoover Universal, Inc., a major national manufacturer with numerous and varied divisions, has signed a multi-year lease for a new 140,000-square-foot facility in the Rancho Cucamonga Business Center.

The announcement of the lease transaction was made recently by Carl Zies, Vice President and General Manager of Hoover Universal's Beverage Bottle Division, and William Blair Armstrong, resident partner in charge of Southern California operations for O'Donnell,

(Continued on Page 7)

TORTILLA FACTORY

Gruma Plans Complex in Fontana



Artist's rendering depicts $10 million complex planned by the Gruma Corp. in Fontana's Southwest Industrial Park. Three major operations in the development will employ more than 750 persons following completion of construction in late 1983.

A highly automated corn mill and tortilla factory — the first of its kind in the U. S. — will provide the basis for a multi-million dollar manufacturing complex to be built in Fontana by the Los Angeles-based Gruma Corp.

The formal announcement was made recently at a special luncheon attended by numerous local officials, community leaders, and corporate representatives.

Construction will begin this fall on the 200,000-square-foot facility, which will be located on a 16-acre site at the northwest corner of Marlay and Pacific Avenues in Fontana's Southwest Industrial Park. Completion of the $10 million project is scheduled for the fall of 1983.

The project will house the manufacturing facilities of three Gruma firms: Mission Foods, Southern California's largest tortilla company; Azteca Milling, a leading producer of corn flour; and Electra Food-Machinery, a major manufacturer of food production equipment.

The complex is expected to employ more than 750 persons when in full operation.

Gruma representatives worked closely with the City of Fontana, the County Economic Development Department, and Fontana Chamber of Commerce in locating the new plant site.

"We're very excited and optimistic about our new location," said Irwin A. Steinberg, President of Gruma. "The area's excellent labor market and convenient access to both truck and rail transportation were the key factors in

(Continued on Page 3)

TWO MAJOR DEVELOPMENTS PROGRESS WELL IN ONTARIO

Two of the largest planned developments in area history took a major step closer to reality recently when the Ontario City Council approved zone changes and specific plans proposed for the projects.

The two developments, totaling more than 900 acres, are being undertaken by Chevron Land and Development Co. and the Meredith Co. Chevron owns 683 acres (formerly the Ontario Motor Speedway) which will be known as the Ontario International Centre, while Meredith will develop the Meredith Centre on 250 acres immediately to the west.

Both projects envision extensive commercial, industrial, and residential complexes which may take as long as 30 years to complete.

The recently approved specific plans designate the basic areas for different types of development and lay-out the various utility systems that will be needed.

The two plans include four land use categories: urban commercial, garden commercial, urban residential, and garden industrial.

The urban commercial areas will be highly intensive central business dis-

(Continued on Page 7)

ExecuJet Lease to Produce Terminal For Chino Airport

ExecuJet Ltd. has leased 26 acres from the County of San Bernardino and will construct a $4.5 million aviation facility at Chino Airport.

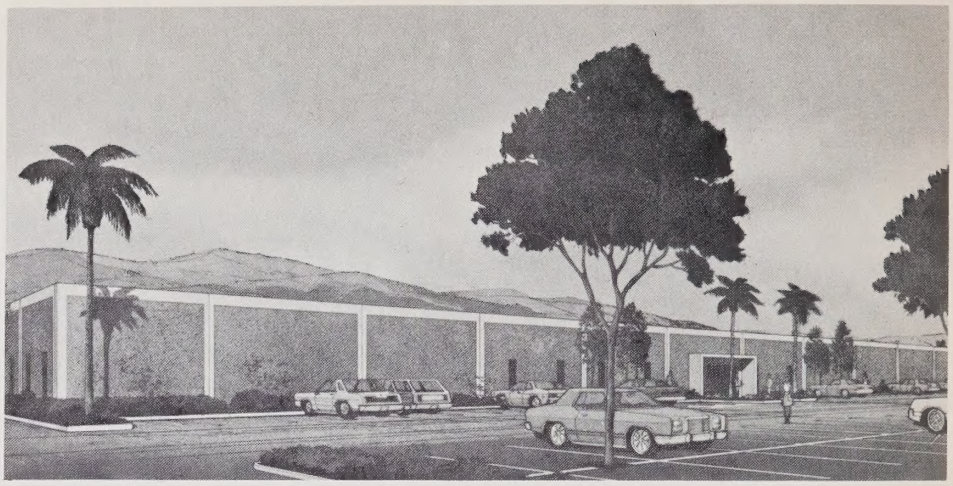
The development will be located on the south side of the airport near Kimball and Euclid Avenues.

Plans call for a 15,000-square-foot terminal with a restaurant and offices, 32,000 square feet of maintenance hangars, housing for 100 aircraft, outdoor parking for 40 planes, fueling facilities, a leasing operation, and runway.

ExecuJet will complete the project within two years and will employ 40 persons at Chino.

The County Aviation Division has eight general aviation airports at Apple Valley, Baker, Barstow-Daggett, Chino, Fontana, Needles, Trona, and Twenty-nine Palms.

Division Chief Phil Lock said the Federal Aviation Administration has stated it wants to help Chino become the largest and most modern general aviation airport in Southern California.



New building recently constructed by Seven-W Enterprises will soon house General Telephone's Customer Inquiry Referral Service and approximately 400 employees. The project represents a capital investment of more than $2 million by Seven-W.

BY 7-W ENTERPRISES

Phone Facility Completed

General Telephone Co. and some 400 employees will soon occupy a new office building recently completed by Seven-W Enterprises Inc. in Redlands.

The building will house General Telephone's Customer Inquiry Referral Service which will answer billing questions from throughout the inland area.

The project represents a capital investment of more than $2 million by Seven-W, which will lease the facility to the telephone company.

Totaling 40,000 square feet, the building is located on a three-acre site in the Seven-W Industrial Park at 1500 Crafton Ave.

John Creatura, Seven-W Management Consultant, said billing information will be stored in a $1 million central computer with operators at 300 individual terminals.

He said most of the 400 jobs will be filled by newly hired local residents.

CARDBOARD PRODUCER MAY BUILD $100 MILLION PLANT

Inland Container, one of the nation's largest manufacturers of corrugated containers, has announced that it has taken an option to purchase 50 acres in Rancho Cucamonga and is considering establishing a $100 million cardboard recycling plant

The firm, headquartered in Indianapolis, Ind., is a wholly owned subsidiary of Time, Inc. with 28 box plants located throughout the United States and Puerto Rico.

The property being considered is located to the southwest of the intersection of Fourth Street and Etiwanda Avenue where Inland would construct a facility of more than 100,000 square feet staffed with approximately 135 employees.

C. G. Ames, Jr., Inland Container's President and Chief Executive Officer, said his firm is "currently studying the feasibility of building a recycle mill in California and this is an excellent site.

"The mill would produce linerboard and there should be an adequate supply of old corrugated waste paper which would be the raw material for the mill," he said.

Inland would produce approximately 500 tons of linerboard per day at the Rancho Cucamonga plant.

The linerboard (outside facing) would then be shipped to other Inland facilities where it would be combined with corrugated material forming containerboard which is made into boxes.

Inland is a fully-integrated packing company complete with timberlands, containerboard mills, box plants, sawmills, and ink and tape manufacturing facilities.

Its product line ranges from egg containers to refrigerator cartons.

In 1980, Inland shipped nearly one million tons of cardboard boxes, receiving total revenues of $579 million and recording a $53 million profit.

Inland Container currently has California plants in Bell, Newark, and Santa Fe Springs.

Ayala Addresses Local Leaders on Peripheral Canal

Numerous elected officials and community leaders from throughout the Inland Empire gathered recently as State Senator Ruben S. Ayala delivered a major address on the proposed peripheral canal .

Ayala is the author of legislation providing for construction of the project to bring water to Southern California from the north.

The issue will be decided in a Statewide election to be held next June 8.

The luncheon was held at El Prado Country Club in Chino and was coordinated by the County Economic Development Department.

Board Seeks Improved Airline Scheduling

Complaints by San Bernardino County Supervisors of declining service and inequitable rates at Ontario International Airport have resulted in an immediate response from major airlines including assurances of their commitment to the inland area.

Several fares have been adjusted downward and a number of new flights have been taken under consideration for potential implementation in the near future.

The Board of Supervisors had complained that, since federal deregulation of the airlines, both the frequency of flights and the number of available destinations had been reduced at Ontario. Additionally, the Supervisors found that some Ontario fares were substantially higher than those at Los Angeles when the distances traveled are actually less.

Board members said this unnecessarily encourages the use of L. A. International and is inconsistent with the rapid growth and development being experienced in the West Valley.

Supervisor Robert Townsend said the use of LAX is inconvenient for local residents and results in greater traffic congestion, fuel consumption, and air pollution.

A resolution seeking improved service was unanimously adopted by the Board, and Chairman Robert Hammock was authorized to contact airline executives in support of the County's position.

In his letter, Hammock pointed out that more than four million persons now reside within a one-hour, peak-period driving distance of the Ontario Airport.

Included with Hammock's letter was a projection by the State Department of Finance predicting that San Bernardino County's population will increase by 40 percent during the 1980s while California, as a whole, will grow at a rate of less than 20 percent. Also provided were excerpts from the 1981 Forecast by First Interstate Bank (formerly UCB) which projects that the area will be the State's "number one growth leader" in the 1980s.

Responses were received from Air Cal, American, Braniff, Continental, Cortez, Delta, Eastern, PSA, Republic, and United.

• Gruma

(Continued from Page 1)

our decision to locate here."

Steinberg said the facility will be the first in this country to totally integrate corn milling and tortilla producing capabilities.

Also locating at the site will be Electra Food-Machinery, a leading manufacturer of equipment used in the production of Mexican food products, such as corn chips, taco shells, and tortillas.

The Los Angeles-based Gruma Corp. is a member of the Gruma Group of Monterey, Mexico. One of Mexico's leading food industry groups, Gruma operates 45 subsidiaries in the U. S., Mexico, and Latin America. Gruma reported sales of more than $200 million during 1980.

NEW FINANCIAL PROGRAMS ESTABLISHED FOR COUNTY

The San Bernardino County Economic Development Department is processing its first applications for industrial revenue bond financing and is working on a cooperative basis with several agencies to provide new financial incentives.

In addition to the use of revenue bonds, other new concepts include a recently formed County-wide Local Development Company and the first industrial projects involving the Community Development Block Grant program.

IRBs

Although widely used in most other States for many years, industrial revenue bonds have only been authorized in California since the passage of the Industrial Development Financing Act which became effective January 1.

The San Bernardino County Board of Supervisors has established an Industrial Development Authority to administer the program and has designated itself as its Board of Directors with the Economic Development Department as its staff.

Through the sale of revenue bonds, the Authority is designed to provide low-cost industrial financing at a maximum rate of 10 percent with a $10 million limit on each project.

The bonds are sold to private investors and neither the assets nor taxing power of the County are involved.

County Economic Development Director Frank Coony said the bonds are saleable at a low return because the interest is exempt from both State and Federal income taxes.

He said the paramount objective of industrial revenue bonds is the creation of new employment opportunities.

Proceeds of the bond sale may be used to purchase land or existing buildings, construct new facilities, or acquire equipment, but the applicant must be the actual industrial user.

LDC

The Local Development Company is a community-based, non-profit corporation which has been formed by the Sub-Area Economic Development Commission (SAEDCOM) to provide financing through the U. S. Small Business Administration's Sec. 503 program.

Although a variety of arrangements may be used, LDC projects most commonly take the form of a regular bank loan with a government guarantee. The interest rate, therefore, is set by the bank, and currently is ranging from 14 to 18 percent on loans of this type. The borrower is required to directly provide 10 percent of the total project cost with the balance involving the bank, the LDC, and SBA in varying combinations.

Wesley Jefferson, coordinator of the program, said loans may be obtained by profit-making small businesses for industrial plants, commercial operations, remodeling projects, building expansions, purchase of land, and acquisition of equipment.

He said the new LDC has recently completed its first loan package to Oneida Materials Co., a steel mill waste recycling operation in Fontana, and that a substantial number of other applications has been received.

CDBG

In addition to these programs, Community Development Block Grant funds — typically used for housing improvements and other neighborhood projects — are now being viewed as a new source of industrial incentives.

The County Office of Community Development administers approximately $9 million in CDBG funds which it receives each year from the U. S. Department of Housing and Urban Development.

Community Development Director Don Newcome said he is working with Frank Coony to identify needed improvements that will attract new industries where they will provide jobs in areas of low income and high unemployment.

BUSINESS STATISTICS & OUTLOOK

by Charles W. Morton

County Building Permits Valuation Up

The chart below reflects the valuation of building permits issued in the County for the first six months of 1980 compared to the same period in 1981.

	First Six Months 1980	First Six Months 1981
Adelanto	$ 3,018,661	$ 843,152
Barstow	4,237,224	4,585,330
Big Bear City	—	8,861,860
Chino	14,642,867	10,818,839
Colton	2,890,763	6,406,728
Fontana	23,930,539	18,468,361
Grand Terrace	1,609,121	2,855,660
Loma Linda	3,077,221	5,324,932
Montclair	9,459,574	10,088,848
Needles	682,054	2,275,342
Ontario	43,011,351	44,200,903
Rancho Cucamonga	23,469,108	23,376,007
Redlands	7,611,847	10,211,273
Rialto	7,986,181	8,289,624
San Bernardino	36,663,821	47,897,464
Upland	8,221,235	26,940,568
Victorville	6,898,087	4,388,738
Unincorporated	163,893,576	213,107,470
	$361,303,230	$448,760,499

During the first half of 1981, there was a surprising and spectacular gain of 24.20 percent in building permits valuation over the same period in 1980. Most of this gain occurred in the second quarter since a gain of only 12.87 percent was registered in the first quarter of 1981 over 1980.

The cities varied widely with ten showing an increase and six a decrease. Six of the top ten cities registered gains ranging from 30 percent for San Bernardino to 336 percent gain for Needles. Upland was also high, with a gain of 276 percent over 1980. In fact, Upland's first six months of 1981 exceeded their total 1980 valuation by 30 percent. The unincorporated area also registered a surprising gain of 30.02 percent. Had Big Bear City not incorporated, the gain would have been 35.2 percent.

California Economy And Growth Ranks High

In an economic profile published by First City Bank Corporation of Texas, Inc., California ranked among the top three states for 1979 and 1980 in 14 of 25 economic and growth indicators. The 14, along with ranking for the top three states, are listed below.

ECONOMIC OR GROWTH INDICATOR	STATE RANKING 1st	2nd	3rd
Total Construction	CA	TX	FL*
Population	CA	NY	TX
Manufacturing Employment	CA	NY	PA
Value of Total Shipments	CA	IL	OH
Crude Oil Refineries	TX	CA	LA
Crude Oil Refining Capacity	TX	CA	LA
Est. Reserves of Crude Oil	AL	TX	CA
Tons Cement Shipped	TX	CA	PA
Cash Receipts — All Farm Commodities	CA	TX	IA
Cash Receipts — All Livestock	TX	IA	CA
Cash Receipts — Cotton Production	TX	CA	AZ
Retail Sales	CA	NY	TX
Commercial Bank Deposits	NY	CA	TX
Total Personal Income	CA	NY	TX

*Two letter state abbreviations

County Property Values Up 16.9% in 1980

The assessed County property values increased 16.9% in 1980 over 1979. This came as a surprise considering the high construction cost throughout the calendar year.

Other than the increase of two (2) percent allowed for inflation under Proposition 13, new housing and reappraisal on change of ownership, the preponderance of the increase resulted from new industrial and commercial construction in West End cities of the County.

The chart below depicts what percent of the total 1980 building permit valuations are represented by new industrial and commercial construction for leading West End cities compared to the County's average city.

CITY	Industrial % of Total	Commercial % of Total
CHINO	25.13	16.00
MONTCLAIR	17.94	39.43
ONTARIO	20.44	14.19
RANCHO CUCAMONGA	17.52	16.70
AVERAGE CITY	6.59	13.13

*Percentage calculations exclude mechanical (i.e., air conditioning)

A building permit valuation relates to the assessed property valuation but not directly. For example, an industrial building may have a building permit valuation of $1 million, however, this would not include the land. Both are entered on the tax rolls at market value as secured property. In addition, for industry machinery and equipment are added to the assessed value as unsecured property. The county-wide total for 1980 shows a 15.8 percent increase for the secured roll and 22 percent increase for the unsecured.

Of the above, Ontario led the other cities with an overall 24.4 percent in-

(Continued on Page 5)

TAXABLE RETAIL SALES

Taxable retail sales for San Bernardino County in 1980 were up 6.8 percent over 1979. This reflects a mellowing in the economy compared to the 16.5 increase in 1979 over 1978. Considering the inflation and population growth, actual retail sales were down.

The chart below depicts taxable retail sales for the cities and unincorporated area along with the per capita sales for each.

	Retail Sales	Per Capita
Adelanto	$ 3,839,000	$ 1,174.05
Barstow	,135,593,000	7,664.95
Chino	124,662,000	3,103.75
Colton	143,253,000	5,224.55
Fontana	137,140,000	3,695.60
Grand Terrace	18,253,000	2,147.92
Loma Linda	20,311,000	1,899.29
Montclair	257,414,000	11,375.90
Needles	26,330,000	1,390.78
Ontario	390,955,000	4,401.65
Rancho Cucamonga	129,497,000	2,344.09
Redlands	179,152,000	4,107.20
Rialto	146,024,000	4,100.07
San Bernardino	970,660,000	8,221.96
Upland	222,017,000	4,659.62
Victorville	162,279,000	11,412.02
Unincorporated	1,107,525,000	3,467.00
COUNTY TOTAL	$4,174,903,000	$ 4,674.32

The chart below depicts retail sales and per capita sales by type of business for 1980.

Type of Business	Retail Sales	Per Capita Sales
Apparel Stores	$ 105,297,000	$ 117.89
General Merchandise Stores	471,893,000	528.34
Drug Stores	68,522,000	76.72
Specialty Stores	187,483,000	209.91
Food Stores — All Types	301,838,000	337.95
Package Liquor Stores	64,375,000	72.08
Eating and Drinking Places	355,431,000	397.95
Home Furnishings and Appliance Stores	122,388,000	137.03
Farm Implements and Supplies (fuel, etc.)	44,634,000	49.97
Building Materials	232,834,000	260.69
Automotive, Other Vehicles, Parts and Service	1,073,549,000	1,201.97
RETAIL STORE TOTAL	$3,028,244,000	$3,390.49
Business and Personal Services	138,860,000	155.47
All Other Outlets	1,007,799,000	1,128.36
TOTAL ALL OUTLETS	$4,174,903,000	$4,674.32

Retail sales per capita were down slightly in 1980 ($134.34) compared to 1979. This could result in part from lower Specialty Stores, Building Materials, and Home Furnishing and Appliance sales. It could also result in part from the estimated population projection for 1979 being too low and thereby reflecting a higher per capita sales in 1979.

Committee to Map County Farmlands

A County agricultural committee has been formed under the guidance of the U. S. Department of Agriculture Soil Conservation Service to determine which farmlands are of local importance and which should be included on a federal farmland map. The committee operates under the provisions of the 1972 Rural Development Act.

In their first meeting in August, the committee approved the following criteria that will be used to determine the local importance of farmlands and which farmlands should be included on the federal farmland map.

- Those not already in the primary categories established by USDA, but of high economic importance to the community.
- Those that include areas of soils that meet all the characteristics of prime, unique or additional farmland of statewide importance with the exception of irrigation.
- Those that are used to raise dryland grains — wheat, barley, oats and dryland pasture — that do not require irrigation.

Ronald Moore, District Conservationist for the U. S. D. A. Soil Conservation Service said the nation will need 462 million acres of crops by the year 2030 to meet domestic and foreign demands for food and fiber.

Property Values . . .

(Continued from Page 4)

crease in assessed property values secured and unsecured. Considering the long-range plans for industrial construction and elaborate buildings of the Ontario International Center, this trend for Ontario should continue.

San Bernardino County Housing Prices Lowest

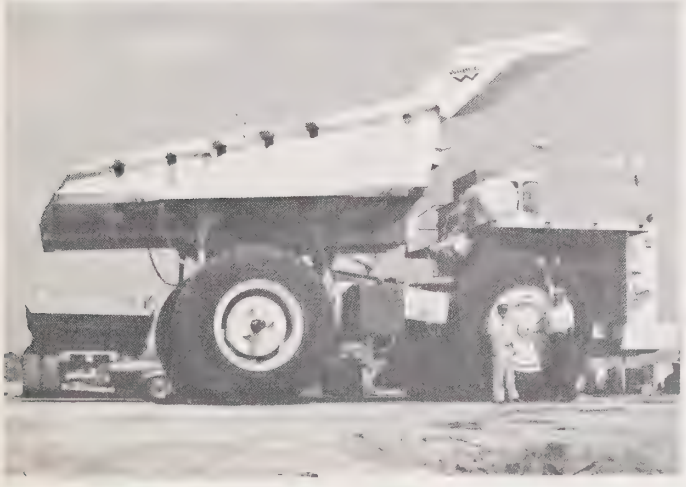
The median sales price of a new residential unit in San Bernardino County is lowest of six Southern California counties, study shows.

The study sponsored by the California Land Title Company and conducted by Development Dimensions of Southern California covered the counties listed below. The prices include the weighted average median sales price of new detached and attached residential units sold during the first quarter of 1981.

County	Weighted Average Median Sales Price
Los Angeles	$185,313
Orange	132,098
Ventura	122,100
San Diego	89,300
Riverside	80,192
San Bernardino	77,074

New Pluess-Staufer Truck Dwarfs Man and Machine

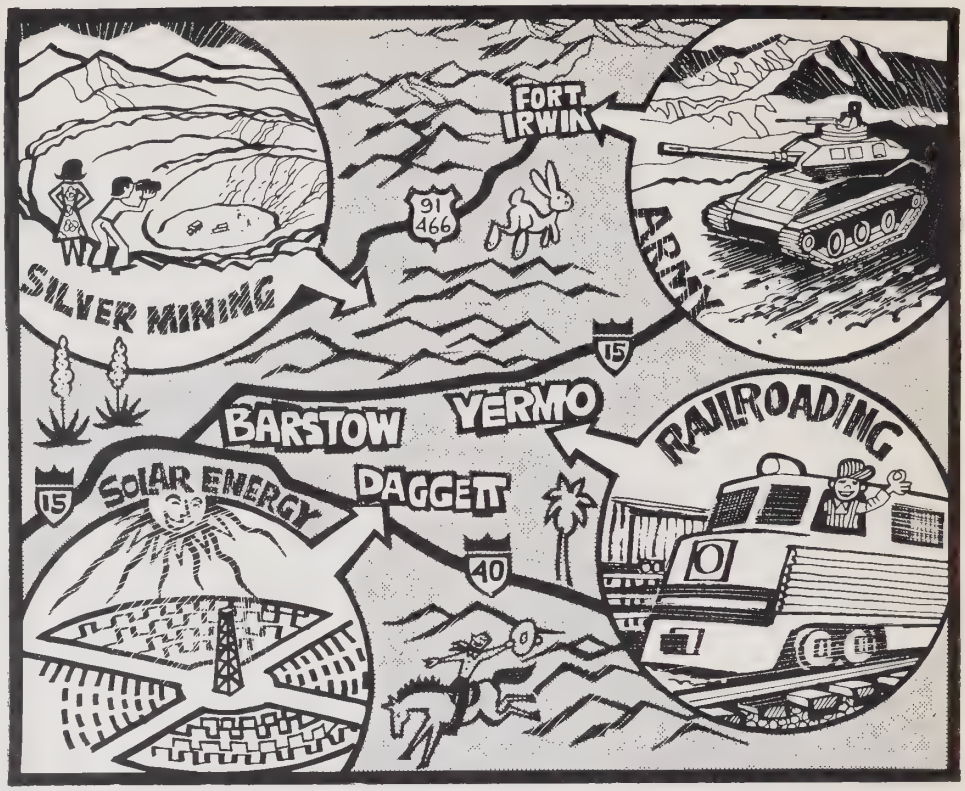
Standing six feet, four inches tall, San Bernardino County Supervisor Bob Older (right) is no midget, but he can hardly reach the top of a tire on Pluess-Staufer's new Wabco haul truck. The huge vehicle is used to carry loads of limestone to the firm's Lucerne Valley plant from mountain quarries eight miles away. President Kurt Enderli (left) says the truck weighs 120,000 pounds empty and has an 85-ton capacity, about 70 percent more than the usual equipment. The Wabco has a 1,300-horsepower diesel engine and six tires valued at $8,000 each. Pluess-Staufer recently purchased the huge truck for $550,000 and is considering buying more. Gas mileage? Less than three-quarters of a mile per gallon, but Enderli says that's not bad considering the payload.



Barstow Area is Center of Activity

A variety of major projects — ranging from the reactivation of Ft. Irwin to open pit mining — is rapidly turning the Barstow area into a center of economic activity in San Bernardino County's high desert region.

Beyond the massive work being undertaken at the Army post, Barstow is also subject to the economic impacts of a full-scale mining operation planned in the Calico Mountains by the American Smelting and Refining Corp., a new computerized classification yard completed by Union Pacific Railroad at Yermo, and two demonstration energy plants involving the Southern California Edison Co. near Daggett.



Ft. Irwin

At Ft. Irwin, 35 miles north of Barstow, intensive efforts are in progress to ready the 640,000-acre facility for its new role as a National Training Center where some 80,000 troops will engage in simulated combat each year.

The deactivated post had been operated on a limited basis by the California National Guard since 1972, but was recently transferred back to the Army for use as a huge training installation under the command of Brig. Gen. James Bramlett.

Boeing Services International, a subsidiary of Boeing Aerospace Co., has been named by the Army Procurement and Contract Office as recipient of a $7.3 million contract for operation and maintenance of the sprawling post.

The Army said the firm is widely experienced in managing government facilities and was selected from 15 companies which bid on the contract.

Boeing will have approximately 400 employees at Ft. Irwin and the one-year contract may be extended by the Army under a two-year renewal option.

Additionally, the Army has reassigned its 160-member 581st Maintenance Company to Ft. Irwin to handle repairs of tanks and other vehicles.

In total, the National Training Center will be staffed by 2,500 military and 750 civilian employees when full operation is attained in 1984.

At that time, 21 brigades of 25,000 troops each will be rotated through the facility each year in two-week training sessions. Each of the Army's tank and infantry battalions will visit Ft. Irwin every 18 months to attain and retain peak combat readiness.

The units will participate in sophisticated, simulated combat operations against resident 'enemy' forces which will use equipment similar to that provided by the Soviet Union.

The National Training Center will function on an annual appropriation estimated at $110 million which will be felt throughout nearly every segment of the area economy.

Mining Operation

Ten miles east of Barstow, American Smelting and Refining Corp. (ASARCO) is planning an open pit mining operation on what it estimates is a $1 billion silver and barite deposit.

Bill Kurtz, ASARCO Western Region Manager, said his firm expects to spend an estimated $100 million to develop approximately 1,200 acres of its 4,000-acre site.

ASARCO foresees a two-year engineering and construction period and believes its mine may be active as long as 25 years.

When in operation, the mine will employ 160 persons who will mill 6,000 tons of ore per day obtaining 12,000 ounces of silver.

ASARCO is one of the world's leading producers of non-ferrous metals with its Mining Division headquartered at Tucson, Ariz.

New Railroad Yard

At Yermo, only a few miles from the mine site, the Union Pacific Railroad has completed construction of a new $9.2 million classification yard.

Soon to be one of the busiest spots in the UP system, the computerized yard includes 18 miles of new track, nine miles of relocated track, and has a capacity for 1,062 freight cars.

A 120-member UP construction crew, working along with private contractors, has laid some 3,600 track panels including 80,000 cross ties and 77 switches weighing seven tons each.

Harry Meyen, UP Director of Terminal Planning and Design, said the site was chosen because of its strategic location halfway between the railroad's facilities in Los Angeles and Las Vegas.

"The UP Los Angeles yard has reached a point where there is no room to expand and the cost of property on its perimeter is astronomical," said Meyen. "Development plans for valuable property underlying UP's yard in downtown Las Vegas call for relocation of some railroad functions as well."

Energy Projects

Near Daggett, just 12 miles east of Barstow on Interstate 40, Southern California Edison Co. is involved in two multi-million dollar pilot projects adjacent to its existing natural-gas and coal-fired generating station at Cool Water.

"Solar One," the nation's first sun-powered generating plant, is well under construction on 75 acres and is scheduled for completion in December.

When in operation, the experimental project will produce 10 megawatts,

(Continued on Page 7)

Nine Buildings Now Available for Lease At Crescent Center

Construction has been completed on the $5.5 million first phase of the Crescent Business Center being developed in Rancho Cucamonga by Meyer Investment Properties Inc. of La Habra.

The 19-acre site is located on Archibald Avenue immediately south of Sixth Street, and the first phase includes nine buildings totaling 140,000 square feet.

The complex has excellent access to Interstate 10 with three buildings being equipped with truck wells.

The single-level buildings range in size from 11,120 to 19,800 square feet with individual units from 2,600 to 14,850 square feet.

Lease arrangements may be discussed by contacting Bill Peacock of Meyer Ininvestments at (213) 943-7174.

Nearly 50 visiting Chinese investors and business people from throughout Southern California and Taiwan prepare to board bus for recent tour of industrial, commercial, and residential developments in the Rancho Cucamonga area. The program was arranged by the Foreign Affairs Committee of the Rancho Cucamonga Chamber of Commerce and the guests were welcomed by Mayor Phil Schlosser, Chamber President Don Hardy and County Economic Development Director Frank Coony.

• Barstow Area

(Continued from Page 6)

enough power to serve 600 homes in the Barstow area.

The system will include more than 21,000 individual mirror modules in 1,800 units (heliostats) positioned in a 2,500-foot-long oval around a tower.

The computer-controlled mirrors will track the sun across the sky, reflecting light onto a 300-foot central receiving tower in 300 times the amount felt on the ground. Inside the receiver, water will be heated to nearly 1,000 degrees powering a conventional steam turbine electric generator.

The project will have a total cost of approximately $140 million, and as many as 300 workers have been employed during peak construction periods.

Edison Project Director Joe Reeves said the location was selected for its sunny climate and cloudless sky. He said nearness to the existing generating station, availability of water, and highway access were also important considerations.

The five-year-experiment is a joint project of the Edison Co., U. S. Energy Department, State Energy Commission, and Los Angeles Department of Water and Power.

As "Solar One" nears completion, the Edison Co. is about to break ground nearby for its $275 million Coal Gasification Combined Cycle Demonstration Project — this time in partnership with Texaco, Inc. as well as such organizations as the Electrical Power Research Institute and Bechtel Corp.

The project has been approved by the California Energy Commission and is planned for completion in 1984. Consuming 1,000 tons of fuel per day, the process will convert finely powdered coal into clean-burning natural gas to generate 100 megawatts of electricity.

All five major developments — from Ft. Irwin on the north to the energy projects on the south — are located within a distance of approximately 30 miles, the mine site and classification yard being in between.

• OMS Projects

(Continued from Page 1)

tricts including retail trade, offices, restaurants, hotels, and recreation facilities. Garden commercial will accommodate many similar uses, but will be less intensive, transitional areas with more landscaping.

Urban residential will be high-density areas with multi-family dwelling units and numerous condominiums. Chevron plans approximately 1,530 homes while Meredith proposes 800.

The garden industrial designation, located in the periphery of the centres, calls for light manufacturing including research and development, assembly operations, and repair facilities.

• Hoover Universal

(Continued from Page 1)

Brigham, and Partners — developers of the business center.

Zies noted that the Beverage Bottle Division will be utilizing the new facility for the production of plastic soft drink bottles, and will have approximately 130 employees.

The process involves equipment valued at more than $7 million, and Hoover Universal is the first firm to apply for industrial revenue bond financing through the new San Bernardino County Industrial Development Authority.

The first phase of the Rancho Cucamonga Business Center, containing more than 300,000 square feet of space, has already been completed by O'Donnell, Brigham and is approximately 70 percent leased.

"We are currently constructing two additional buildings of 140,000 and 80,000 square feet which are available for lease," Armstrong said.

The Hoover Universal facility includes approximately 3,000 square feet of office area and 141 parking spaces are adjacent to the rail-served building.

Located at the intersection of Milliken and Sixth Avenues in Rancho Cucamonga, the business center is a joint venture of O'Donnell, Brigham and Partners; Oltmans Construction Co., and Metropolitan Life Insurance Co.

Hoover Universal, headquartered in Ann Arbor, Mich., employs more than 6,800 persons at 45 manufacturing plants throughout North America.

THE NEWS LETTER
Published Quarterly by the
San Bernardino County Economic
Development Department

County Civic Building — West
175 West 5th Street
San Bernardino, California 92415
Area Code (714) 383-2913

BULK PERMIT
U. S. Postage
PAID
San Bernardino, Calif.
Permit No. 1677

Institute Of Governmental Studies
109 Moses Hall
University Of California
Berkeley, CA 94720

SAN BERNARDINO COUNTY BOARD OF SUPERVISORS

Robert Hammock
Chairman .....Fifth District
Robert Older .....First District
Cal McElwain .....Second District
David McKenna .....Third District
Robert O. Townsend ....Fourth District

ECONOMIC DEVELOPMENT COMMISSION

H. James Gilliam, Chairman

Juan Archuleta
Frank Fleck
E. P. Guerra
Paul Pope
Martin Tudor
John Creatura
Frank Gonzales
Lucille Schuler
Mary Borba Parente
Art Townsend
Harold Zenz
Frances Grice
B. Gilbert Lara
William G. Smith

ECONOMIC DEVELOPMENT DEPARTMENT STAFF

Frank Coony .....Director
Baxter J. Williams....Assistant Director
Newsletter Editor
Art Romandy....Industrial Coordinator
Charles Morton.....Research/Planning
Carolynn Hayes .....Program Analyst

Roadway Terminal to Open Soon

Early October has been scheduled for the beginning of operations at the $5 million truck terminal recently completed by Roadway Express in Adelanto.

Corporate officials say the facility will open with an employment of 225 persons, which will make Roadway one of the largest employers in San Bernardino County's high desert area.

Located at 17401 Adelanto Road, a short distance from U.S. 395, the 153,296-square-foot terminal is the first of three construction phases Roadway plans for the 74-acre site.

The completed first phase includes 154 bay loading docks, a 78,000-square-foot warehouse, offices, truck maintenance equipment, and storage capacity for 100,000 gallons of diesel fuel.

Known as the "Adelanto Terminal" by Roadway personnel, the facility will receive large truck loads from the East, break them down into smaller shipments, and route them out again on trucks bound for regional and local distribution.

Although actual hiring has not taken place until recently, competition for the new jobs has been extremely intense since July when more than 2,000 hopefuls appeared the first day that Roadway began accepting applications.

Similar reports prevailed as the firm continued accepting applications on a one-day-per-week basis with numerous job-seekers traveling substantial distances and even from out-of-state.

The jobs are largely for dock workers and clerical staff, the former of which will earn a wage of $12.90 per hour.

In the months prior to the acceptance of initial applications, the City of Adelanto compiled a list of 2,400 persons who had inquired about Roadway employment and notified each of them by mail when the application period was to begin.

The terminal's second and third phases include another 124,830 square feet and 184 loading docks which will bring the total number of jobs to an estimated 800.

Freight is unloaded from trailers at some of the 154 bay loading docks included in the new truck terminal recently constructed by Roadway Express in Adelanto. The facility will rank Roadway among the largest employers in the high desert. (Adelanto Independent Photo)

1981 DIRECTORY BEING OFFERED BY DEPARTMENT

The San Bernardino County Economic Development Department has published its 1981 Industrial Directory and is currently making the 80-page booklet available to the public.

The directory provides information on more than 1,100 industries engaged in manufacturing, fabricating, processing, and mining in San Bernardino County.

The information includes the firm's name, address, phone number, standard industrial classification, description of operation, number of employees, and name of principal contact person.

The booklet is organized by both geographical area and SIC code.

The Economic Development Department is offering the Industrial Directory at $10 to cover preparation, handling, tax, and postage. Checks should be addressed to the Department at 175 West Fifth St., San Bernardino, CA 92415.

A 1210
Winter 1981

SAN BERNARDINO COUNTY
ECONOMIC DEVELOPMENT DEPARTMENT

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
MAR 25
UNIVERSITY OF CALIFORNIA

NEWS LETTER

Published quarterly by the San Bernardino County Economic Development Department to chronicle events and activities relating to the purposeful economic development of San Bernardino County and its communities.

WINTER, 1981

Ethan Allen Selects Chino Location for Big Furniture Plant

Ethan Allen, Inc., a nationally recognized manufacturer of quality furniture, has announced plans that will make it the largest industry in the City of Chino.

The firm has purchased a 13-acre site on the east side of Monte Vista Ave. south of Edison and will build a 300,300-square-foot manufacturing and warehousing facility.

Estimates are that 200 to 300 persons will be employed by Ethan Allen.

The rail-served site was purchased from the Southern Pacific Industrial Development Co.

Ethan Allen Inc. is based in New York, has a total of 6,100 employees, and annual sales of $200 million.

OMS Purchased; Huge Development Planned for Land

Financially troubled Ontario Motor Speedway has been purchased by the Chevron Land and Development Co. for inclusion in a planned 1,540-acre industrial, commercial, and residential complex known as the Ontario International Centre.

Chevron, a subsidiary of Standard Oil Co. of California, bought the 680-acre racetrack for $42.4 million with the sale becoming final in the closing days of 1980.

Although plans have not been drawn, tentative developments include high-rise office and industrial buildings, shopping areas, townhouses, restaurants, landscaped parking areas, and possibly hotels, a recreation center, and "people-moving" system.

It has been suggested by persons close to the project that the Ontario Inetrnational Centre will have its economic base in two high-density industrial cores surrounded by commercial and residential development.

The proposed project's environmental impact report says the development may take 20 to 30 years to complete, will produce 5,000 new homes and will create more than 50,000 new jobs.

The total project area is bounded by San Bernardino Avenue on the north, Interstate 10 on the south, Vineyard Avenue on the west, and Interstate 15 on the east.

Other individuals and companies owning property in the area have indicated

(Continued on Page 3)

Crane sets wall in place as construction workers erect one of the first buildings at the new Roadway Express truck terminal in Adelanto. When completed, the facility's first phase will produce 235 jobs with hiring to begin in March. (Adelanto Independent Photo)

BUILDINGS RISING AT NEW ROADWAY TRUCK TERMINAL

First phase construction is progressing rapidly on the new Roadway Express break-bulk truck terminal in Adelanto and completion is expected by early summer.

Project managers report that blacktopped areas, driveways, and foundations have been poured and that the metal and concrete buildings are now being erected on the 74-acre site.

Construction activity began with grading in October and was highlighted during a three-day period in November when 60 large trucks were used to pour 8,000 cubic yards of gravel, asphalt, and cement.

When completed, the terminal's first phase will total 153,296 square feet with 154 bay loading docks at a cost of ap-

(Continued on Page 6)

Bottle Manufacturer Begins Production In San Bernardino

Captive Plastics, Inc., a major producer of plastic bottles, has leased space in San Bernardino's Southeast Industrial Park and has recently begun production.

The firm will occupy 30,000 square feet of the 59,840-square-foot facility at 1811 Riverview Drive — one of four new structures known as the Riverview Industrial Buildings.

Selection of the site culminates three-months of effort by the Economic Development Department to locate the firm in this area.

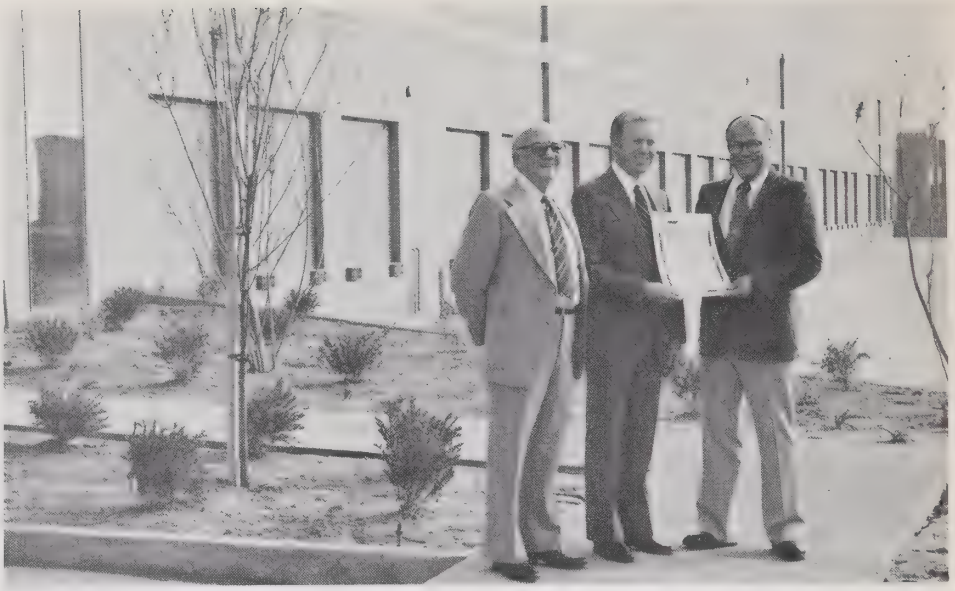
Based in New Jersey, Captive Plastics will utilize its new San Bernardino plant to directly serve its West Coast market rather than shipping from the East.

Approximately 50 to 60 persons will be employed at the plant.

Robert DeLong, Vice-President and General Manager for the company's West Coast Division, said the area's progressive approach to industrial development combined with the assistance provided by County and City officials were key factors in selecting the location.

The firm manufactures molded plastic bottles largely for major pharmaceutical and cosmetic producers.

The Riverview Industrial Buildings were developed by Russ Hatle and Community Consultants Corp.



County Supervisor Cal McElwain (right) presents official commendation to Blair Armstrong of O'Donnell, Brigham and Partners as they and County Economic Development Commissioner Paul Pope approach the largest of the seven buildings in the firm's new Rancho Cucamonga Business Center.

NEW CUCAMONGA BUILDINGS NOW AVAILABLE FOR LEASE

The first phase of the new Rancho Cucamonga Business Center being developed by O'Donnell, Brigham and Partners has been completed with buildings currently available for lease.

Located near the intersection of Milliken Avenue and Sixth Street, phase one includes seven buildings totalling more than 300,000 square feet and representing an investment of $7 million.

Largest of the buildings is a 140,751-square-foot, rail-served facility with 2,750 square feet of office space. Other structures are 31,305, 29,161, 28,219, 26,673, 23,929, and 29,161 square feet.

All buildings are divisible to suit tenant needs with the smallest unit being 11,536 square feet.

Each structure includes carpeted office space with heating and air conditioning, and has fluorescent lighting and sprinklers throughout.

Truck dock and ground level doors are provided and the large building is equipped for rail loading.

Official dedication ceremonies for the complex were held in November with more than 150 civic and business leaders in attendance.

Presentations from the County Board of Supervisors and City of Rancho Cucamonga were made to O'Donnell, Brigham and Partners noting the economic significance of the new development.

Dignitaries noted that the Business Center will be excellent for manufacturing or distribution because of its location close to Ontario International Airport, Interstate Highways 10 and 15, and the Santa Fe Railroad.

When subsequent phases of the development are complete, the total complex will represent a $20 million investment on 73 acres.

HAMMOCK NAMED CHAIRMAN

New Supervisors Take Office

Two new members have been sworn-in on the San Bernardino County Board of Supervisors and recently re-elected Supervisor Robert Hammock has been unanimously chosen as its Chairman for the next two years.

Seated are First District Supervisor Robert Older replacing James Mayfield and Third District Supervisor David McKenna replacing Dennis Hansberger.

Hammock also took the oath of office for a second four-year term as Fifth District Supervisor after being re-elected in November.

Mayfield and Hansberger both decided not to seek re-election after serving eight years on the Board.

Hammock, previously the Board Vice-Chairman, replaces Mayfield as Chairman.

Older is a rancher and businessman from the Oro Grande area of the high desert while McKenna was formerly Judge of the Colton Justice Court.

Prior to his first election to the Board of Supervisors in 1976, Hammock served as a member of the San Bernardino City Council.

Clerk of the Board Andree Disharoon administered the oath of office before a crowd of more than 200 persons in the Supervisors' Chambers.

Establishment of the new Board assures continuation of the positive approach to economic growth and development that has been characteristic of the Supervisors in recent years.

Other members of the Board are Cal McElwain of the Second District and Robert Townsend of the Fourth District.

Smith Remodel Creates 100 Jobs

Smith Tool, soon to employ some 500 persons in San Bernardino, is progressing rapidly with building modifications at its new plant and plans to be in full production by mid-July.

The firm has purchased the 211,000-square-foot building previously owned and occupied by Kroehler Furniture in the Southeast Industrial Park.

More than 100 jobs are involved in the plant modification alone.

A division of Smith International, Inc., Smith Tool is a major producer of drilling bits used by the petroleum and mining industries.

Ken Ayers, Smith's Manager of Facilities Planning, said the modifications currently under construction involve converting a light manufacturing and showroom facility into a heavy machinery operation with all the necessary equipment.

He also noted that the numerous pieces of machinery require extensive utility installations including upgraded electrical capacity, power distribution network, compressed air facilities, and water cooling system.

Design work for the modification program is being done by Inland Valley Engineering Corp. of Fontana.

Neil Zoller, President of the engineering firm, said all suppliers and subcontractors involved in the modifications are local firms.

Managing Director C. A. Arnold, who will be in charge of Smith's San Bernardino plant, said his 500 employees will work in two shifts and that hiring is already underway for administrative personnel and office staff.

He said recruiting would begin in March for production employees and continue as operations increase until full operation is attained in July.

These positions include machine operators, engineers, quality control specialists, inspectors, welders, shipping and receiving clerks, and maintenance personnel.

Ken Ayers (left), Manager of Facilities Planning for Smith Tool, discusses plant modifications with Neil Zoller, President of Inland Valley Engineering Corp., and Chadwick Barrie, the engineering firm's project manager.

● Speedway Development

(Continued from Page 1)

a desire to participate in the massive development.

The speedway was constructed in 1969 at a cost of $25.5 million which was financed through the sale of bonds.

The purchase price is sufficient to repay bondholders their original investment, future interest, past-due interest, interest on past-due interest, as well as back taxes and other debts owed by the speedway.

As an additional benefit to the bondholders, the government securities used by Chevron in the transaction will mature in 1996, two years earlier than the construction bonds.

Although the original agreement called for ownership of the speedway to revert to the City of Ontario in 1989, City officials have agreed to accept seven acres of land valued at $100,000 each in lieu of future right to the track.

The City has also recently approved a general plan amendment for the entire project area designating it for "comprehensive planned development."

Ontario Foothill Development Co. is serving as the project's managing consultant for Chevron.

Representatives say no final decision has been reached, but that racing will probably be permanently discontinued.

CELOTEX-MARLEY STARTS OPERATION AT NEW PLANT

Celotex-Marley, Inc., a manufacturer of concrete roof tiles, has begun production at its new $4.6 million plant in San Bernardino's Southeast Industrial Park.

The 20,000-square-foot facility is located at 1990 Riverview Drive and employs 50 persons with an annual payroll of $1 million.

Production is projected at 133,000 squares per year, providing roofing materials for 5,800 average-size California homes.

The initial product is a mission, or barrel style, tile which is commonly used with Spanish architecture popular in Southern California. Other styles are planned for later addition to the product line.

The plant is a joint venture of the Celotex Corp. with headquarters in Tampa, FL, and Marley Ltd. of the United Kingdom.

Marley pioneered the production of concrete roof tiles in England in 1924 and is now a major producer of residential and commercial roofing, flooring, and plumbing products.

The Celotex Corp. and its Roofing Products Division maintain 15 plants throughout the United States, providing a complete line of residential and commercial roofing products.

(Continued on Page 6)

BUSINESS STATISTICS & OUTLOOK

by Charles W. Morton

BASIS OF COUNTY ECONOMY

In an endeavor to get a profile of the components of the total economy of San Bernardino County, categories of industries were identified and ranked according to value of product shipped. Since this was a best effort endeavor and a first time attempt to break out the total economy by categories, our listing may not be complete.

The economy of this county as well as the whole of the country depends on our natural resources. President Kennedy on February 23, 1961, in a special message to the Congress on natural resources said, "Our entire society rests upon and is dependent upon water, land, forests, and minerals." All workers regardless of particular endeavor (i.e., transportation, manufacturing, marketing, financing, government), receive income that is derived directly or indirectly from these resources.

The chart below breaks out the categories of industries according to basic industry or prime dependence — agricultural, forestry or mineral — for the county's seven leaders according to value of product shipped during 1979.

Minerals or Mineral Dependent	
Steel Mills	$ 532,000,000
Mineral Extraction (est.)	370,000,000
Service Industry Machinery	106,700,000
Aircraft	92,900,000
Electric Housewares & Parts	51,000,000
Total	$1,152,600,000
Agriculture or Forestry Dependent	
Farm Products	$ 436,931,000
Newspapers	42,000,000
Total	$ 478,931,000
GRAND TOTAL	$1,631,531,000

An analysis of the chart above indicates that, for the industries listed, in 1979 the value of shipments was 70.65 percent mineral or mineral dependent for product or service and 29.35 percent agriculture or forestry dependent for product or service.

In conducting our research, another category — Industrial Inorganic Chemicals — totaling $146,300,000 came to light. It is not known how much, if any, of this is included in the four categories that are mineral dependent. If this category is separate, then the above percentages would change to 73 percent mineral or mineral dependent and 27 percent agriculture or forestry dependent.

Fortunately, California and this County are national leaders in agricultural and mineral production. California is this nation's most productive farm state. It produces 40 percent of the nation's fresh fruit and vegetables and 25 percent of the nation's total food supply. The state is just as prominent in mineral production while most of our mineral resources are yet undeveloped. The known in-place value of 25 minerals on about one third of the California Desert Conservation Area's (CDCA) total acreage was valued in excess of $648 billion in 1978 dollars.

(Continued on Page 5)

Southern California Edison Receives Presidential Award

In early January, President Carter in ceremonies at the White House awarded to Southern California Edison the President's Award for Energy Efficiency.

Edison was honored in the ceremonies for successful residential conservation programs which contributed to achieving the national goals of reducing U.S. oil imports during 1980.

The President's Energy Efficiency Awards program is part of a long-term federal project to encourage citizens and private companies to participate in the national drive toward greater energy efficiency.

Of other interest, Edison paid $8.3 million in 1980-81 property taxes to this County and a total of $57.4 million to the 18 counties in which Edison operates. Other information relating to Edison follows.

- Revenues — $3.4 billion in year ended Sept. 30.
- Earnings — $339.6 million in year ended Sept. 30.
- Number of customers — 3.1 million.
- Service Area — 50,000 square miles of central and southern California, excluding city of Los Angeles, with population of 8 million.
- Energy sources — oil, 33 percent; natural gas, 28 percent; coal, 12 percent; hydroelectric, 9 percent; nuclear, 2 percent; power purchased from outside sources, 16 percent.

San Bernardino County Building Permits

The chart below reflects the valuation of San Bernardino County building permits issued in 1980 compared to 1979.

	1979	1980
Adelanto	$ 586,642	$ 3,963,374
Barstow	9,965,230	5,444,301
Chino	21,748,154	29,456,244
Colton	26,434,276	11,066,480
Fontana	72,870,202	39,864,538
Grand Terrace	10,282,909	9,582,141
Loma Linda	18,452,906	4,859,414
Montclair	33,061,027	13,251,790
Needles	1,420,159	1,228,155
Ontario	102,464,416	92,745,231
Rancho Cucamonga	47,720,504	45,788,822
Redlands	26,771,790	18,923,657
Rialto	67,162,882	21,613,332
San Bernardino	81,331,569	86,817,938
Upland	38,854,115	20,785,003
Victorville	33,003,543	12,715,435
Unincorporated	476,661,382	359,971,055
TOTAL	$1,068,780,706	$778,076,910

As expected, high interest rates caused a marked downturn (27.20%) in the county's building permit valuation in 1980 compared to 1979. Most surprising is that in spite of exhorbitant high interest rates, three cities — Adelanto, Chino and San Bernardino — bucked the trend.

A check with each of these cities revealed the following. Adelanto up 675% over 1979 is the site of the new Roadway break bulk terminal now under construction. Roadway's building permits alone accounted for $2,405,950 of the total. The remaining increase over 1979 of $1.8 million are permits resulting from Roadway's locating in Adelanto, i.e., housing, service stations, etc.

Chino up 35% over 1979 experienced a 484% increase in residential construction. Gary Collins in Chino Planning said that the surge was due to lifting of a moratorium on residential construction. Industrial and commercial construction also did well in 1980.

San Bernardino issued permits to construct 1,332 dwelling units with a valuation of $45.9 million in 1980. This included three large housing projects valued at $11.5 million. Ray Resendez of the City's Economic and Community Development Department explained that a large part of this housing was financed through mortgage revenue bonds issued by the city and the redevelopment agency. Purchasers of these units pay a low interest rate of 8.25% to 10.5%.

(continued)

• Economy

(Continued from Page 4)

While these facts are encouraging, a shadow hangs over future agriculture and mineral production in the long term. According to recent studies, the rich farm lands of California are being depleted through erosion, overgrazing, urbanization, salinization and ground water depletion (90% of the value of California crops depend on irrigation). Between 1978 and 1979 the San Bernardino County's crop land was reduced from 119,083 to 108,295 acres.

On the mineral side, including nonmetalic minerals production, production could be seriously impaired through federal plans to preserve the environment and wilderness area. The Bureau of Land Management's Plan, February 1980, acknowledged that the mineral development restraints in the Plan could limit the industry by 1990. Further, these effects would increase by the year 2000. This acknowledgement falls short of the adverse economic impact claims in some responses to the Plan.

On the brighter side, some authorities do not consider California's agricultural situation a coming disaster. Erosion, considered a most serious problem in the study mentioned, is not thought so serious by other authorities. One may point out that in the mid 30's, when the midwest was a dust bowl, it was thought that erosion would do irreparable damage within a few years. Today this same land through use of irrigation, contour farming, fertilizer and hybrid breeding produces more than before dust bowl days. Also an excellent treatise on California agriculture just published by the Security Pacific Bank did not mention agricultural depletion. Pest control and water requirements were discussed.

As to restrictions on mineral production to preserve our environmental and wilderness areas, many are confident that a logical balance will be struck. If the economy of San Bernardino County is typical of the nation's, then over 70% of the nation's economy is dependent on minerals. The Congress is not likely to apply restraints on mineral production that would severely deter the economy over the next ten to twenty years. Confidence that a logical balance will be struck is bolstered by the economic importance of minerals and the fact that:

- In the western United States relatively little public land (only 0.18%) has been affected by mineral exploration and development over the past 150 years. Nature, through its natural process, has reclaimed much of this.
- About 40,000 pounds of new minerals (sand, gravel, stone, iron and steel, cement, fuel, etc.) are required annually for each citizen. Severe constraints on mineral production that necessitate importing part of this total would increase the economic problems now caused by OPEC.
- Unnecessary government intervention from the federal level to duplicate and layer requirements over state requirements will not be popular with the new presidential administration according to current indications.

County Population Growth

The official preliminary 1980 U. S. Census reflects that San Bernardino County had a population growth of 28.62 percent over the 1970 census count as indicated in the chart below.

	Population 1970	Population 1980	Percentage Change
Adelanto	N/A	2,114	
Barstow	17,442	17,590	.85
Chino	20,411	40,018	96.06
Colton	19,974	19,862	.56
Fontana	20,673	34,555	67.15
Grand Terrace	N/A	8,449	
Loma Linda	N/A	10,530	
Montclair	22,546	22,558	.50
Needles	4,051	4,115	1.58
Ontario	64,118	87,800	36.93
Rancho Cucamong	N/A	54,708	
Redlands	36,355	43,484	19.67
Rialto	28,370	37,048	30.58
San Bernardino	106,337	118,092	11.05
Upland	32,551	47,073	44.61
Victorville	10,845	14,183	30.77
Unincorporated	298,560	315,302	5.61

N/A not available since the cities were unincorporated in 1970.

Most of the county's growth, or 26.60 percent, occurred after the 1975 Special Census and a high percentage of that growth has been within the past two years.

The incorporated cities varied greatly in percentage growth over 1970 with the highest population increases in cities of the West Valley (Chino 96.06%, Fontana 67.15%, Upland 44.61%, and Ontario 36.93%). This growth is attributable to location and to cost of land and housing. The location is close to the Los Angeles market area and is easily accessible by freeway arteries and rail to other cities. The cost of industrial land and residential housing is considerably under that of Los Angeles and Orange Counties.

In the desert area, Victorville led with a 30.77 percentage growth; however, unincorporated communities in Victor Valley experienced a higher growth.

TAXABLE RETAIL SALES

Taxable retail sales in the County during the first three quarters of 1980 were up 7.59 percent over the same period of 1979. Sales for the cities and unincorporated areas for the three quarters of 1979 and 1980 are depicted in the chart below.

	1979 Sales First Three Quarters	1980 Sales First Three Quarters
Adelanto	$ 3,361,000	$ 2,953,000
Barstow	91,301,000	99,382,000
Chino	82,796,000	91,881,000
Colton	100,255,000	105,837,000
Fontana	94,186,000	100,616,000
Grand Terrace	11,853,000	12,775,000
Loma Linda	11,949,000	13,540,000
Montclair	183,819,000	177,213,000
Needles	17,538,000	19,895,000
Ontario	259,202,000	283,579,000
Rancho Cucamonga	85,710,000	96,291,000
Redlands	121,938,000	130,214,000
Rialto	91,895,000	107,035,000
San Bernardino	670,904,000	693,325,000
Upland	145,036,000	160,615,000
Victorville	110,278,000	123,005,000
Unincorporated	735,592,000	823,565,000
COUNTY TOTAL	$2,817,613,000	$3,041,721,000

The chart below reflects the per capita retail sales by type of business for the first two quarters of 1979 compared to the same quarters in 1980.

Type of Business	1st Two Quarters Per Capita Sales 1979	1st Two Quarters Per Capita Sales 1980
Apparel Stores	$ 50.52	$ 52.62
General Merchandise	224.99	229.37
Drug Stores	34.62	36.35
Specialty Stores	86.22	94.90
Food Stores	145.76	165.10
Liquor Stores	35.99	36.40
Eating & Drinking	185.96	197.33
Home Furnishing	72.74	61.08
Farm Implements	24.22	25.82
Building Materials	134.33	127.06
Service Stations	225.90	331.18
Automotive	341.45	285.34
RETAIL STORES	$1,562.70	$1,642.55
Business & Personal Service	73.32	79.95
All Other Outlets	553.26	564.88
TOTAL ALL OUTLETS	$2,169.28	$2,287.18

The two quarters shown in the above chart differ from the top chart depicting three quarters. The State Board of Equalization was kind enough to send News Letter an advanced copy of retail sales by cities. The third quarter sales by type of business was not yet ready.

FIRM WILL MAKE CARTONS AT NEW PLANT IN CHINO

Sentinel Container Corp. has signed a 10-year lease and is moving to a newly constructed 95,000-square-foot industrial building in Chino.

Located on a five-acre site at 13878 Yorba Ave., the rail-served facility was built by developer Nathan J. Leanse and represents a capital investment of $3 million.

Sentinel will occupy its new plant in March and begin production later in the month.

The firm, a manufacturer of corrugated cardboard boxes, currently employs 65 persons at its present plant in Pomona and Ontario with an annual payroll of $1.1 million.

The owner and President of Sentinel is Richard Carr, Jr.

Leasing agent for the building was Associated Industrial Properties of Newport Beach.

Leanse has also recently begun construction of two more industrial facilities on a five-acre site in Chino west of Central Avenue on Schaefer. The buildings will be 42,000 and 38,000 square feet with the latter being rail served.

• Celotex-Marley

(Continued from Page 3)

The area served by the new plant includes San Bernardino, Los Angeles, Orange, San Diego, and Imperial Counties. The product will be delivered on-site by independent distributors.

Discussing Scott Foam Division's new operation at the Lifetime Foam Products plant in San Bernardino's Southeast Industrial Park are (l-r) Dan Dobratz, Plant Manager for Scott; Bill Leesburg, Project Supervisor for Huntley Properties; and Bill Hightower, Plant Manager for Lifetime.

AT LIFETIME PLANT

Scott Foam to Begin Operation

The Foam Division of Scott Paper Co. recently announced that it will be beginning operation in San Bernardino, occupying a portion of the Lifetime Foam Products building in the Southeast Industrial Park.

To accommodate the new operation, ground was broken in December for a 30,000-square-foot addition to the Lifetime facility.

A variety of polyurethane flexible foam products will be manufactured at the plant. Major uses of the product are specialty cushioning applications for industry.

Initial operations at the facility have already begun according to Plant Manager Dan Dobratz with production expected to increase steadily throughout 1981.

The building addition is being constructed by Huntley Properties of San Bernardino and is scheduled for completion by June 1.

Cucamonga Location Chosen By Aerospace Manufacturer

PneuDraulics, Inc., a respected manufacturer of hydraulic components for aerospace, has moved to a new location in the City of Rancho Cucamonga.

Totalling nearly 50,000 square feet, the firm's new plant is at 8575 Helmes Ave., in the vicinity of Arrow Highway and Hellman Avenue.

Now in its 25th year of business, PneuDraulics supplies hydraulic valves and equipment to every major aircraft and missile manufacturer in the United States.

Recently, the company received an official welcome to Rancho Cucamonga from Mayor Phillip Schlosser, Chamber of Commerce President Don Hardy, and Miss Rancho Cucamonga Tammy Bruce. On hand to represent the firm were President Eric Saville, Vice-President Raymond Hunt, and Personnel Manager Dale Cosgray.

Saville and Hunt founded PneuDraulics, Inc. in 1956.

The President said the new facility will result in better organization, increased efficiency, and improved employee relations.

PneuDraulics currently employs 150 persons with plans to increase to approximately 225 during its first year in Rancho Cucamonga.

• ROADWAY

(Continued from Page 1)

proximately $5 million. Also included will be an 80-unit ready line, 27-lane out-board stacking area, truck washing equipment, fueling facilities, garages, parking areas, office space, and utilities.

General contractor for phase one is C and I Construction Co. of Santa Ana.

The terminal's second and third phases will produce an additional 124,830 square feet with 184 loading docks to be constructed during an 18-month period following the completion of phase one.

The three phases combined will include 278,126 square feet and 338 bay loading docks.

Located near the junction of U.S. Highway 395 and Adelanto Road, the Roadway terminal will employ 235 persons upon completion of phase one and as many as 800 when in full operation.

Al Reid Promoted; Assumes New Post As Assistant CAO

Al Reid, Director of the County's Special Districts Department for the past six years, has been named Assistant County Administrative Officer.

The appointment was announced by Administrative Officer Robert Rigney.

In his new post, Reid will administer the activities of the County's newly formed Redevelopment Agency and will be responsible for a variety of community financing programs aimed at orderly growth.

He will coordinate the delivery of services with other public agencies and will work with both the Local Agency Formation Commission and the Economic Development Commission.

Rigney said Reid's experience in the management of more than 100 special districts with budgets totalling nearly $60 million will be of great value in his new position.

Reid joined the County seven years ago as Special Districts Coordinator and chief of staff to the Local Agency Formation Commission. Previously, he spent six years with Lockheed Propulsion Co. and earlier served as a captain in the U. S. Air Force.

He is a graduate of Carnegie Institute of Technology in Pittsburgh, PA where he earned his bachelor of science degree in mechanical engineering.

Reid is a member of the Boy Scout's Inland Empire Executive Board and is Chairman for its Grayback District.

COUNTY RDA BEGINS WORK IN THREE LOCAL "SURVEY AREAS"

San Bernardino County's recently created Redevelopment Agency has identified three potential project areas and has under taken preliminary work to determine their feasibility.

The three "survey areas" include Bloomington, the Chino Hills, and the Tri-City Airport vicinity near San Bernardino.

The Redevelopment Agency was established last summer by the County Board of Supervisors which now also sits as the RDA Board of Directors.

Fourth District Supervisor Robert Townsend was selected as the Agency's first Chairman; Supervisor Robert Hammock of the Fifth District as Vice-Chairman; and County Administrative Officer Robert Rigney as Executive Director.

Townsend said the objective of the Redevelopent Agency is to sell bonds which will produce revenue needed to provide improvements, services, or other incentives to bring about desired development. Taxes generated by the new development will be used to repay the bondholders, he said.

RDAs are restricted to blighted or undeveloped areas where development would not otherwise occur.

In the Bloomington area, the Redevelopment Agency is preparing to conduct land use and economic studies to determine what types of development would be compatible with Southern Pacific Railroad's classification yard.

The area is bounded by Randall Avenue on the north, El Rivino Road on the south, Palmetto Avenue on the west, and Riverside Avenue on the east.

In the Chino Hills, the RDA is being considered as a possible funding mechanism for needed public service and facilities.

The area includes a total of 18,000 acres where a future population of 100,000 persons is projected.

In the Tri-City area, the Agency is conducting a study to determine the economic feasibility of purchasing the Airport and bringing about the development of surrounding properties.

This survey area is bounded by Mill Street on the North, Interstate 10 on the south, Interstate Highway 15E on the west, and Mountain View Avenue on the east.

Officials note that the Redevelopment Agency is County-wide in scope and may have additional future applications throughout the unincorporated area.

Tax-Free Bonds Sought For Industrial Growth

The San Bernardino County Economic Development Department has taken action seeking designation of the County as an Industrial Development Authority for the issuance of tax-exempt industrial revenue bonds.

The procedures for such a program were established by the California Industrial Development Financing Act (A. B. 74) which became effective the first of the year.

Under the Act, an authority may issue the bonds to finance private facilities desired for economic development and increased employment opportunities.

The bonds carry an interest rate of 10 percent and are limited to $10 million per project. A statewide total not to exceed $200 million has been authorized by the new legislation.

Bond sale proposals must meet the conditions of the Act and be approved by both the local industrial development authority and the California Industrial Development Financing Advisory Committee.

Once issued by the authority, repayment of the bondholders becomes the sole responsibility of the borrowing industry.

Several initial requests are currently being reviewed by the Economic Development Department.

S. B. County Obtains Federal Designation As Labor Surplus

The Employment Plan Committee for Dislocated Workers, a locally formed community group, has obtained action by the U. S. Department of Labor designating San Bernardino County a Labor Surplus Area.

Such a designation will result in preferential treatment for local businesses when bidding on federal contracts.

The Committee was supported by U. S. Rep. George E. Brown, Jr., the County Board of Supervisors and the Economic Development Department.

The Committee was established by Operation Second Chance, a local agency of the U. S. Commerce Department, to deal with employment problems resulting from plant closures in the area.

Members include representatives of numerous community, public, and private organizations under the co-chairmanship of John S. Ferguson, Regional Director of the State Employment Development Department, and Frances Grice, Executive Director of Operation Second Chance.

THE NEWS LETTER
Published Quarterly by the
San Bernardino County Economic
Development Department

County Civic Building — West
175 West 5th Street
San Bernardino, California 92415
Area Code (714) 383-2913

BULK PERMIT
U. S. Postage
PAID
San Bernardino, Calif.
Permit No. 1677

Institite Of Governmental Studies
109 Moses Hall
University Of California
Berkeley, CA 94720

SAN BERNARDINO COUNTY BOARD OF SUPERVISORS

Robert Hammock, Chairman ..... Fifth District
Robert Older ..... First District
Cal McElwain ..... Second District
David McKenna ..... Third District
Robert O. Townsend .... Fourth District

ECONOMIC DEVELOPMENT COMMISSION

H. James Gilliam
Frank Fleck
Manny Hinojos
E. P. Guerra
Paul Pope
Martin Tudor
John Creatura
Lucille Schuler
Mary Borba Parente
Art Townsend
Harold Zenz
Frances Grice
B. Gilbert Lara
William G. Smith

ECONOMIC DEVELOPMENT DEPARTMENT STAFF

Frank Coony ..... Director
Baxter J. Williams.... Assistant Director
Newsletter Editor
Art Romandy.... Industrial Coordinator
Charles Morton..... Research/Planning
Carolynn Hayes ..... Program Analyst

Pitney Bowes Building New Facility in Colton

A May completion date is planned for the 16,000-square-foot Pitney Bowes executive office building to be located at the northwest corner of San Antonio and Mt. Vernon Avenues in Colton's Rancho Mediterrania complex.

Groundbreaking ceremonies have been held, attended by San Bernardino County Supervisor David McKenna and Colton Mayor Frank Gonzales.

"Our new facility will provide Pitney Bowes customers with a centrally located office which will serve primarily San Bernardino and Riverside Counties," said District Manager Walter Gross.

Best known for its mailing systems, Pitney Bowes will employ approximately 60 persons in its new district office.

R. S. M. Development Co. is constructing three connecting buildings totalling 30,000 square feet with the remaining 14,000 available for lease.

Robert L. Stotts of R. S. M. noted the cooperative efforts of Mayor Gonzales and Warren Kelsey, Vice President of United California Mortgage, who worked to assure that the Pitney Bowes Plaza became a reality.

Larcon Development Inc., headquartered in San Bernardino, represented both Pitney Bowes and R. S. M. in arranging the lease.

The 20-year lease for 16,000 square feet represents a value of more than $2.8 million. B. Gilbert Lara, Jr. of Larcon was assisted by Brad Rollins of Coldwell Banker.

Leasing information may be obtained by contacting Larcon at 330 N. 'D' St., Suite 404, San Bernardino, CA 92401, (714) 888-1436.

DEPARTMENT OFFERS ECONOMIC STATISTICS

A new Statistical Summary of Economic Indicators has been compiled by the research staff of the County Economic Development Department and is currently available to the public.

Included among the numerous statistics in the four-page report is information on population, assessed valuation, building permits, construction, retail sales, and the labor force.

The Statistical Summary may be obtained from the Department.

Joining in groundbreaking ceremony for new Pitney Bowes facility in Colton are (l to r) Gilbert Lara, Larcon Development Inc.; Bruce Gray, Colton Chamber of Commerce; County Supervisor David McKenna; Louise Osborn, Chamber of Commerce; Walter Gross, Pitney Bowes; Miss Colton Rhonda Spencer; Peter McWilliams, RSM Development; and Gregory Villanueva, architect.

A1210

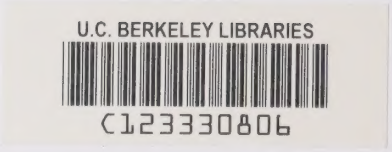
1981:
spring,fall
-winter
IGSL

University of California, Berkeley
Institute of Governmental Studies
Library

News letter / San Bernardino County Economic Development Department.

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
109 PHILOSOPHY HALL
UNIVERSITY OF CALIFORNIA
BERKELEY, CA 94720

A1210
1981: spring, fall-winter



INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
109 PHILOSOPHY HALL
UNIVERSITY OF CALIFORNIA
BERKELEY, CA 94720